





# 'Retirement Pregnancies' Spur a Wide Ethical Debate

By William E. Schmidt  
*New York Times Service*

LONDON — This week, after a 59-year-old woman gave birth to twins in a London hospital, doctors and politicians here have become startled in a thickening ethical debate. Should governments and organized medicine consider limits on the age at which a woman can seek to become pregnant as a result of human fertility treatments?

The London woman, who has not been identified but is described as wealthy, gave birth after eggs donated by a younger woman and fertilized by the older woman's husband were implanted into her at a private fertility clinic in Rome. Doctors in London had earlier refused to perform the same procedure because they believed she was too old to face the emotional stress of being a mother.

Coupled with news from Italy on Tuesday that a 61-year-old woman treated at the same clinic may soon become one of the oldest women ever to give birth, startled physicians and health ministers are raising the possibility of more such "retirement pregnancies."

It has been technically possible for a postmenopausal woman to become pregnant with donor eggs since 1990, but the number of such pregnancies is still small. Most in-vitro fertilization clinics in the United States will not accept women who are older than their early 40s because of the low success rate.

While such pregnancies are now rare, Stuart Horner, the chairman of the British Medical Association's ethics committee, said the problem might grow over the next decade as the procedure becomes more

common. The Times of London reported that at least 13 women between the ages of 50 and 52 have already undergone similar treatment in the last year at fertility clinics in Britain. At least two have given birth, the newspaper said.

A similar situation took place in the United States when a 53-year-old woman, whose daughter was infertile, gave birth to her own grandchild earlier this year. The ethical issues in that case were muted, however, by its altruistic nature.

"Women do not have the right to have a child," said Virginia Bottomley, the British secretary of health. "The child has a right to a suitable home."

Most of the objections raised by ministers and physicians in the debate are ethical ones, based on the strong belief that it is best for a child to have active, able parents. In addition, critics have argued on medical grounds that such late pregnancies pose grave medical risks to the mother. And because donor eggs are in such short supply, some physicians make the public-health argument that they should be reserved for younger women, where the success rate is higher.

In a few cases, the National Health Service, which provides medical care without charge to all Britons, perform in-vitro, or "test tube," fertilizations. But such cases are based on the physician's determination of relative medical and clinical need and the likelihood of a satisfactory outcome.

Critics say that such procedures for older women should not be paid for by the National Health Service. But even as Mrs. Bottomley proposed a joint effort among European health ministers to explore what she

described as "ethical controls" to deal with potential abuses of the medical technology that has stretched a woman's child-bearing years, others said it was wrong to tell a woman she had no right to give birth because she is too old.

Such proposals to limit pregnancy on the basis of age not only are unfair to older women, but suggest a sexual bias as well, Ian Craft, the director of the London Fertility Center, said in a London newspaper. While it was his clinic that refused to treat the woman who later sought help in Rome, he still said it was not right to impose age barriers for women "when there is no age limit for men."

Peter Bromwich, the director of a private fertility clinic in London, was among several physicians who said he would treat a woman in her 50s as long as he was convinced she was healthy, financially secure and had a supportive family. In that regard, the mother of twins was a suitable subject, Dr. Bromwich said, as she is described as a wealthy businesswoman who has a 45-year-old husband.

The woman had been impregnated in the Rome clinic with eggs fertilized by her husband. The eggs had been donated by an Italian woman in her 20s.

In a column in The Times of London, Sandy MacAra, chairman of the Council of the British Medical Association, sharply disagreed with those who say without qualification that a mother in her 60s or 70s cannot provide a suitable home and family life for a young child.

"Relative youth is no guarantee of parental function or competence, as repeated reports of abandoned and

neglected children forcibly remind us," Dr. MacAra wrote. "Better, it may be argued, a fit, healthy 59-year-old than an unfit, unhealthy 19-year-old." Dr. MacAra argued the final decision should be left to the physician.

At the center of the debate is Severino Antinori, the Italian gynecologist and a former veterinarian who claims to have helped more than 40 women in their 50s become mothers.

Over the years, Dr. Antinori has become a familiar face in Italian newspapers. In the late 1980s, he was condemned by the Vatican following reports that he had helped a 53-year-old woman to have a child by implanting one of her eggs, fertilized by her partner, in the womb of her own daughter. The physician later denied being responsible for the procedure.

Last summer in The Independent on Sunday, he defended his work with older women, saying there was no reason a woman in her 50s should not have a child. "A man can have a child at that age and everyone says, 'Isn't he clever?'" Dr. Antinori said. "But those same people say that a woman of 55 is a disgrace."

Another of his patients, Rossina Dalia Corte, 61, told *Il Messaggero*, the Rome daily, that the doctor implanted a donor's fertilized eggs in her uterus three months ago. She said she and her husband wanted a child after her only son was killed in an automobile accident last year. He was 19.

In the sharpest criticism, John Marks, the former chairman of the Council of the British Medical Association, said such cases "bordered on the Frankenstein syndrome."

## Zhirinovskiy Rode A Wave of Protest But Voter Analysis Shows Support May Be Temporary

By Steven Erlanger  
*New York Times Service*

MOSCOW — A picture of those Russians who voted for the extreme nationalist, Vladimir V. Zhirinovskiy, is beginning to emerge from an analysis of polling data that suggests his electorate will not be stable.

There were two waves of support for Mr. Zhirinovskiy, whose oddly named Liberal Democratic Party secured the highest percentage of party-preference seats in the Dec. 12 election and will have the second-largest block in the new lower house of parliament, the State Duma.

Mr. Zhirinovskiy and his party received 23.8 percent of the party-preference votes, while the pro-government Russia's Choice got 15.4 percent. But Russia's Choice will have more deputies in the Duma.

Yuri A. Levada, the director of the All-Russian Center for Public Opinion and Market Research, one of Russia's best polling firms, said Wednesday that preliminary analysis carried some surprising insights.

Mr. Zhirinovskiy's supporters are predominantly men, but of two very different kinds. And as Mr. Zhirinovskiy's intensive and skillful television advertising campaign took hold, a very different sort of person decided to vote for him in the last few days of the election.

Mr. Levada said that more than a third of Mr. Zhirinovskiy's voters decided to vote for him on election day.

Mr. Zhirinovskiy's original base, Mr. Levada said, was made up of middle-aged and older men, mostly from cities with less than 100,000 population. They worked mainly in the state sector of industry, with average skills and earning average wages. They were, he said, "a sort of lower-middle class," with below-average education.

They were not jobless or impoverished. But they worked in a vulnerable sector of the economy — state industry — which was already shrinking and, more importantly, was widely expected to shrink further. And they had large anxieties about the future for themselves, their enterprises and their country.

They worried about crime, disorder and "weak government." They missed the greater order and status of the Soviet Union, and many identified themselves with "the Soviet people."

Unlike support for the revived Communist Party, who tended to be older people, retired and on pensions, this Zhirinovskiy base was "the old Soviet working class," Mr. Levada said.

But in the week before the election, Mr. Zhirinovskiy received a new wave of support. This group was much younger, mostly under

25, better educated and from big cities, and considered essentially nonpolitical.

"This was an emotional movement of the younger generation, a young opposition, young men demonstrating their youth, energy and resolution," Mr. Levada said. "They were drawn by Zhirinovskiy's television propaganda and the sense of action and force."

While many people were angry or confused, Mr. Levada said, "there were a lot of ways to protest" current policies, with votes for centrists like Nikolai Trukhin or Grigori A. Yavlinsky, a reform economist very critical of Russia's Choice and its leader, Yegor T. Gaidar.

"But a vote for Zhirinovskiy was the most dramatic protest available," Mr. Levada said. "In a way, he seemed to be the only truly anti-establishment figure."

At the same time, some of his electorate already regret their vote, Mr. Levada said, and up to one-third of Zhirinovskiy voters said they would not vote for him for president. "So he may only be a temporary figure," Mr. Levada said.

The State Duma has 450 seats, half filled from party-preference voting and half from contests in individual constituencies. Six seats were not filled due to lack of candidates or turnout.

Mr. Zhirinovskiy's party got 59 seats from the party lists but only five from constituencies, according to a list published in Rossiyskiye Vesti, Russia's Choice, which won 40 seats from party lists, says they will have a total of 94 deputies.

The Communist Party is expected to have a total of some 48 seats, while their Agrarian Party partners will have 35. Mr. Yavlinsky's party will have about 22 seats; Women of Russia, which is unclear politically, will have 21 seats.

Russia's Choice expects the 444-member Duma will have some 174 deputies who are considered reformist, including Mr. Yavlinsky's bloc and members of Sergei Shkarin's Party of Russian Unity and Accord. They expect a loose "opposition" that will command about 195 votes, including Mr. Zhirinovskiy, the Communists, Agrarians and smaller centrist parties.

But there will be a floating block of "independents" in the middle whose loyalties may be decided on each issue, and there is no guarantee that either the reformists or the nationalist-Communist bloc will function that way.

The 176-member upper house, or Federation Council, is almost two-thirds filled by local administrators and officials, including 57 affiliated with Russia's Choice, said Deputy Prime Minister Vladimir Shu-menko.

## Bosnia Battles Said to Kill Hundreds

Agence France-Press

SARAJEVO, Bosnia-Herzegovina — Hundreds have died in fierce fighting around the central Bosnia towns of Olovo and Teocak in recent weeks, with Bosnian Serbian forces particularly hit, Western military sources in Sarajevo said Wednesday.

Fighting between Bosnian Serbian forces and the Muslim-dominated Bosnian Army, left the number of dead "in the hundreds, notably on the Serbian side," the sources said.

In Sarajevo, United Nations officials declared a success a much-delayed evacuation of almost 1,000 Muslims, Croats and Serbs from Sarajevo, an operation that was finally completed in the early hours of Wednesday.

The UN Protection Force in the former Yugoslavia and the Bosnian press have for weeks reported heavy fighting around Olovo, 30 kilometers (18 miles) north of Sarajevo, and Teocak, 30 kilometers from the northern town of Tuzla.

Bosnian government radio had frequently reported that more than 1,000 shells a day rained down on the regions, but had reported only light casualties.

Fighting in the Olovo area flared in November, sparking an exodus of Muslim villagers into Olovo.

Sources in Sarajevo added that casualty figures of 3 dead and about 60 wounded in weekend clashes in the Zuc, Kobilja Glava and the Serbian-held Oravica districts of the Bosnian capital had been grossly underestimated.

The sources put the death toll at dozens on both sides.

The 140 Bosnian Serbs evacuated from Sarajevo, meanwhile, reached their destinations Wednesday, the Belgrade-based Tanjug press agency said. Around half opted to stay in the self-styled Bosnian Serbian capital of Pale, the rest continued on to Banja Koviljaica in southeastern Serbia.



A Belgrade man with discarded dinars Wednesday. Hyperinflation soon makes new notes worthless.

## Is Loch Ness Monster Just a Fish Story?

By Eugene Robinson  
*Washington Post Service*

LONDON — To all the annual New Year's ins-and-outs lists, add the following: Out: The Loch Ness monster.

New research on the ecology of the Scottish loch, among the most comprehensive ever performed, strongly suggests that Loch Ness could not support a huge, long-necked, prehistoric sea monster.

If there is something down there, according to Adrian Shine, naturalist and leader of the Loch Ness Project, evidence suggests a more prosaic explanation: the sturgeon, a fish with a long snout and ridged back that can reach 500 pounds (225 kilograms).

Wayward sturgeon might find their way up the Ness River into the loch, fall to locate mates and then wander back out to sea, leaving in their wake hosts of reported monster sightings.

"These eyewitnesses have not necessarily been mistaken or lying or drunk," Mr. Shine said. "But there isn't any dinosaurs here."

Mr. Shine, who lives and works in Drum-na-doch, near the loch, said a set of 14 papers to be published in the next edition of the Scottish Naturalist, a scientific journal, will outline new findings about Loch Ness made by researchers from institutions throughout Britain.

One survey, he said, estimated that the loch is relatively barren of fish: in all, it contains probably no more than 20 to 30 tons of fish.

Using a rule of thumb, Mr. Shine said, if there are predators who live by eating those fish, then the total weight of the predators should be no more than 10 percent of the total weight of the prey.

"So you're down to two or three tons," Mr. Shine said. "That's half the weight of one good-sized whale shark."

Assuming that there would have to be at least 10 of the beasts to make a sustainable population, he said, each one would likely weigh no more than 400 to 500 pounds — not small, but not quite monstrous.

A prehistoric plesiosaur — often thought of, inaccurately, as a water-dwelling dinosaur — would have preferred much warmer waters, Mr. Shine said. A scoping mammal presumably would have to surface to breathe often enough for positive identification.

In Mr. Shine's view, that leaves one likely solution, sturgeon, which live in the sea but come into fresh water to breed and spawn.

He said that from his reading of the local 19th-century press, tradition seemed to hold that there was a huge fish in Loch Ness. "At some point a departure took place between the local tradition of a huge fish and the new tradition of a prehistoric monster," he said. "I call it the media monster."

## Israel and Vatican Reach Pact on Ties

JERUSALEM (WP) — Israel and the Vatican gave final approval on Wednesday to a historic accord paving the way for full diplomatic relations and potentially transforming 20 centuries of tensions between Jews and Catholics.

A joint commission of Israeli and Vatican representatives approved a 15-point agreement in Rome that was to be signed in Jerusalem on Thursday. The agreement, following 18 months of negotiations, is likely to lead to formal Vatican involvement in the Middle East peace process.

Pope John Paul II and President Ezer Weizmann of Israel will appoint "personal representatives" with ambassadorial rank pending the establishment of full diplomatic relations. That is dependent on the accord being ratified by the Pope and the Israeli Knesset, a process that is expected to take about four months.

## 7 Are Focus of Seoul Arms Inquiry

SEOUL (AP) — A former defense minister and six civilian military contractors have been banned from leaving the country pending investigations of multibillion-dollar arms deals, officials said Wednesday.

Choi Se-Chang, who served as defense minister under former President Roh Tae Woo in 1991-92, and six officials of the Daewoo Corp., which arranges arms deals for the South Korean Defense Ministry, will face investigation.

Mr. Choi is suspected of questionable involvement in several arms acquisitions, including the purchase for \$800 million of P-3C anti-submarine planes from Lockheed. Daewoo was supposed to be paid \$4 million in service fees. Actual payments may have been as high as \$29.7 million, officials said. The extra fees, they said, may have been bribes.

## Saudi Advisory Council Is Sworn In

RIYADH (AP) — In a small step toward democracy, King Fahd inaugurated Saudi Arabia's new 61-member consultative council on Wednesday.

The council has no legislative powers but can advise the king and his government on public opinion and debate subjects he presents.

"The kingdom of Saudi Arabia is guided by Islamic faith and is not concerned in any way by those who obstruct or question the absence of elections," King Fahd said while swearing the council members to four-year terms. The members were appointed by the king in August.

## Argentine Senate Backs Menem Bid

BUENOS AIRES (NYT) — Giving President Carlos Saul Menem a New Year's wish he has long had — the chance to run again for office in 1995 — the Argentine Senate on Wednesday approved a bill calling for a constitutional reform that among other things would allow an incumbent president to stand for re-election.

By a vote of 38 to 7, the senators voted the agreement reached last month between Mr. Menem and his Peronist Party, and former President Raul Alfonsin, leader of the opposition Radical Civic Union. The same legislation was approved by the House of Deputies last week, 188 to 53.

Mr. Menem has announced an election for a constituent assembly in March to draft and approve the new constitution. It would shorten the presidential mandate from six to four years, but permit re-election for a second term.

## Germans Escape Mogadishu Attack

MOGADISHU, Somalia (Reuters) — Somali gunmen tried to ambush German peacekeeping troops in Mogadishu on Wednesday but the Germans, in an armored vehicle, escaped unhurt. It was the second attack in three days on United Nations troops in the Somali capital.

A German Defense Ministry statement issued in Bonn said the attackers pulled a pickup truck across a road to block the path of the armored transporter.

Meanwhile, 400 U.S. troops left Mogadishu by air on Wednesday, leaving 9,100 U.S. soldiers still in the country.

## Illegal Payoffs Set a Record in Japan

TOKYO (AFP) — Kickbacks and bribes by Japanese companies reached a record high this year, the national tax agency said Wednesday.

The tax agency said unidentified expenditures, which usually went for illegal donations and backdoor handouts, increased 6.6 percent for the first six months of this year to an all-time high of 59.5 billion yen (\$540 million), compared to the same period last year.

The agency said the total could be far higher because its survey covered only 4,909 companies, or 15 percent of Japanese businesses capitalized at more than 100 million yen.

## Bhutto Hails China's Aid on Kashmir

BEIJING (Combined Dispatches) — Prime Minister Benazir Bhutto of Pakistan accused India on Wednesday of increasing repression in Kashmir and said she expected China's "quiet diplomacy" to help settle the dispute over the Himalayan region.

She also urged the United States to lift sanctions imposed on China over its alleged export of sensitive missile technology to Pakistan, saying that Washington had acted on the basis of "erroneous information."

Later, in Pyongyang, at a banquet hosted by President Kim Il Sung of North Korea, she touched on the issue of sanctions again, this time against her own country. Alluding to U.S. restrictions on the sale of arms to Pakistan, Miss Bhutto said, "It is not fair to cast doubts on Pakistan's intentions and to subject Pakistan to discriminatory treatment."

## Quiet Passing of a Free-French Voice

By Barry James  
*International Herald Tribune*

PARIS — In 1942, Pierre Holmes stepped off an ocean liner in Britain and into a minor role in history as one of the rare voices of freedom in occupied France during the darkest days of World War II.

He joined the British Broadcasting Corporation's French Service, and for the next two years spoke over the airwaves to his countrymen under Nazi occupation.

Mr. Holmes, who died recently at the age of 81, was one of about a dozen announcers whose voices brought a breath of hope to the French at a time when deliverance from Nazi domination during the darkest days of the war seemed like a remote possibility.

Defying the law, many listened clandestinely to the BBC, and particularly to the program on which Mr. Holmes spoke from 1942 to 1944, a nightly 15-minute broadcast called "The French Speak to the French." The programs were directed by Maurice Schumann, a

journalist and spokesman for General Charles de Gaulle's Free French Forces, headquartered in London.

Those old enough to remember can still recall the thrill of listening to the forbidden broadcasts, which faded in and out as Germans tried to jam them.

They were "like a symbolic reunion every night," said Colette Gerard Burns, a teenager in Paris during the war.

The BBC French-language broadcasts had high military significance, because they included vital messages to the French Resistance about arms drops, attacks, and other missions. The messages were in code, or consisted of lines of poetry that were prearranged signals for specific units.

The message heralding the start of D-Day, for example, was a line of verse from the poet Paul Verlaine.

shows, detective thrillers based on the stories of Georges Simenon, women's features, sports and cultural offerings. The German occupiers had a rudimentary television service for hospitalized troops, and allowed favored Parisians to watch it.

Nevertheless, Mrs. Burns told The Associated Press, for two dark years it was the messages from London every night that "boosted our morale. It was our link with the free world."

Mr. Holmes, whose father was British, was born in Britain and had the courtly manners of an old-fashioned English gentleman. But his roots were in France, the land of his mother, and he became a naturalized French citizen in the early 1930s.

After the war, he returned to his job as a hotelier on liners and cruise ships, and retired in the early 1970s to the picture-book village of L'Isle-sur-la-Sorgue, 40 kilometers (25 miles) east of the southern city of Avignon.

## Ex-Communists Are Reformers, German Says

Reuters

BERLIN — A leading East German politician said on Wednesday that he could envision his Social Democratic Party cooperating with the former Communist party, the Democratic Socialist.

Manfred Stolpe, a Social Democrat and premier of Brandenburg state, said that the Party of Democratic Socialism, the successor to the East German Communist Party, was led by reformers.

But Mr. Stolpe was quickly condemned by Peter Hintze, party manager of Chancellor Helmut Kohl's Christian Democratic Union.

Mr. Hintze said, "All democratic parties have to distance themselves from extremists on the far left and right."

## A Way to Cut Colon Cancer

The Associated Press

BOSTON — A long-awaited study provides the first conclusive proof that finding and removing precancerous growths can dramatically lower the risk of colon cancer, the nation's second-deadliest malignancy, researchers say.

Hunting down these growths, known as polyps, has become a cornerstone of colon cancer prevention in recent years. But until now, there has been only circumstantial evidence that it works.

The new report found that removal of polyps reduces the risk of colon cancer by 90 percent.

Colon cancer will strike 152,000 Americans this year, and 57,000 will die, according to the American Cancer Society. It is the second-deadliest malignancy, after lung cancer.

Colon cancer starts with precancerous growths called adenomatous polyps. Various methods of looking for these growths have become routine parts of physical exams for older Americans.

The tests have been performed on the commonsense belief that removing the growths will prevent cancer from developing.

"There has not, until now, been evidence to support that," said Dr. Sidney J. Winawer, the study's principal author. "We have provided evidence that now makes that belief a fact."

The study is unlikely to change medical practice, but it provides reassuring evidence that doctors' efforts to remove polyps are worthwhile.

"We have been waiting for this for a long, long time," commented Dr. Helen M. Shields of Boston's Beth Israel Hospital. "We are finally supported by data that will stand the test of time."

Dr. Winawer, a researcher at Memorial Sloan-Kettering Cancer Center in New York, conducted the decade-long National Polyp Study with physicians at six other U.S. hospitals. The results were published in the Thursday edition of the New England Journal of Medicine.

The study was conducted on 1,418 men and women who had had at least one adenomatous polyp removed between 1980 and 1990. They were given follow-up examinations, called colonoscopies, for an average of six years.

During that time, colon cancer was discovered in five subjects. The tumors were relatively small and had not produced any cancer symptoms. The researchers calculated that if the polyps had not been removed, they would have found about 45 cancer cases during this period.

The American Cancer Society recommends that doctors perform digital rectal exams on patients annually after age 40. For after age 50, it urges annual tests for blood in the feces, which can indicate cancer or polyps. At this age, it also recommends examining the lower colon with a tube called a sigmoidoscope every three to five years.

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# STATESIDE / A COLLEGE'S 'PAINFUL PRICE'

## A Black Activist's Inflammatory Speech Leaves a Campus Sorely Divided

By Jon Nordheimer  
New York Times Service

UNION, New Jersey — A student-sponsored speech by a Nation of Islam minister that attacked whites, homosexuals and Jews in mocking and often cruel ways has ignited a bitter debate at Kean College, a state school struggling to achieve racial diversity and multicultural scholarship.

The speech on campus last month has led to deepening tension between black and Jewish faculty members and an exchange of recriminations between the college president, Elsa Gomez, and the New Jersey chancellor for higher education, Edward D. Goldberg.

Some of the antagonists say the event has stripped away veneers of cordiality and exposed jealousies, resentments and the clashing perspectives inherent in American higher education's search for multicultural harmony.

"What is going on at Kean is not our problem alone and eventually must be faced by other colleges across America," said Ms. Gomez, who has denounced the speaker's views. "We are paying the painful price of our commitment to diversity and the challenge to empower students, who often come from a disadvantaged background, to achieve their full potential."

Black and Hispanic students each make up 14 percent of Kean's student population of

12,000. Though the student body is only 1 percent Jewish, about 130 of 650 full-time or part-time teachers are Jews.

The dispute was ignited by the Nov. 29 appearance of Khalid Abdul Mohammed, a spokesman for Louis Farrakhan, leader of the Nation of Islam. Mr. Mohammed was paid \$2,650 from student funds for his talk.

Often affecting a Jewish accent or offensive mannerisms, he sprinkled phrases like "Columbia Jew-niversity" and "New York City" through a rambling three-hour talk billed as "The Secret Relationship Between Blacks and Jews."

Before the speech, the Jewish Faculty and Staff Association handed out leaflets to people entering the theater, urging the "critical thinking and evaluation that would normally be expected in a college community."

In his speech, Mr. Mohammed rebuked Jewish faculty members, saying, "The students chose this subject because they're catching so much hell here under you on the Kean College campus and in the surrounding Union area — a Jew stronghold."

Mr. Mohammed suggested that the victims of the Holocaust had brought it upon themselves. "They went in there to Germany," he said, "the way they do everywhere they go, and they supplanted, they usurped, they turned around, and a German in his own country

would almost have to go to a Jew to get money."

With a handful of exceptions, the audience of about 140 consisted of black students or black followers of the Nation of Islam. In response to a question, Mr. Mohammed said that when blacks gained political control in South Africa, they should give whites 24 hours to leave and then kill all those who remained.

"We kill the women," he said. "We kill the babies, we kill the blind, we kill the cripples. We kill them all. We kill the faggot. We kill the lesbian. When you get through killing them all, go to the goddamn graveyard and dig up the grave and kill them a-goddamn-gain because they didn't die hard enough."

In a tape of his remarks, laughter and applause are heard after these exhortations.

Jay L. Spaulding, a history professor and an Africa specialist, was one of the few whites in the audience.

A week later, after the college administration had made no statement on the speaker or his remarks, Mr. Spaulding wrote a letter of protest to the board of trustees. He said he had attended because black students had assured him he would hear from "a true authentic source" another perspective on Kean's black studies program.

Instead, he wrote, what he beheld was "as competent a display of racist and sectarian

stupidity as any other cultist garbage I have run across over the years."

He also objected that "the leading Kean College faculty and student exponents of Afrocentricity sat in the front row cheering," and he deplored the speaker's "attack on multiculturalism — to him just another manifestation of evil white conspiracy."

The administration's silence also reached Chancellor Goldberg in Trenton, where as chief administrator of the Department of Higher Education, he helps run the state's university and college system.

In a Dec. 10 letter to the Kean board, the chancellor faulted the trustees and Ms. Gomez for failing to set "a moral framework" for "patently racist ideas and opinions delivered in a campus setting."

Ms. Gomez, president of Kean College since 1989, said it took her and the trustees until Dec. 9 to respond to the speech because no tape was available sooner. At that point, she condemned Mr. Mohammed's remarks as "reprehensible" and "filled with verbal abuse and expressions of hate."

Kean trustees were similarly critical. Ms. Gomez made it clear, however, that she believed Mr. Mohammed had a right to free speech, however odious.

For his part, Mr. Goldberg considered 10 days too slow in reacting to hate-mongering. "Our strong support for free speech on our

campuses carries with it the obligation to surround hate speech with educational dialogue."

He said, "Unfortunately, there was too little planning before the speech and too much silence after it."

Ms. Gomez replied angrily on Tuesday that the chancellor "has been anything but constructive and, in fact, has made it infinitely more difficult to address a number of long-standing issues at Kean College."

The challenge at a multicultural campus that seeks "a balanced learning," she later explained, was to insure that "young students thirsty for knowledge — both minority and majority — are able to discern between ideological rhetoric and genuine scholarship."

The president of the Jewish Faculty and Staff Association, Henry Kaplowitz, was sharply critical of how "multiculturalism" had evolved at Kean, however. In his view, "the Kean campus has become a hotbed of anti-Semitism in recent years."

As he saw it, some black faculty members "were brought in for diversity and once here eschewed diversity."

"In their eyes," he said, "everything is predicated on race and racism, but they deny they are racists because they say an oppressed minority cannot be racist."

faculty members "will punish anyone who has a valid criticism of Jews."

In an interview, he said Jews were part of "a white power structure on campus that operates in a covert fashion covered up by the jargon of academia."

To his eye, promotions, grants and research leaves were routinely given to white faculty but denied to black professors, and blacks were inhibited from freely expressing themselves in classrooms while whites suffered no similar restriction.

Mr. Kaplowitz expressed surprise at the notion of a white power structure. He noted that Ms. Gomez was Hispanic and two of five deans were black and two Hispanic. The president of the board of trustees, Lawrence J. Lochart, is black, as is one of the six other trustees, Patricia Weston Rivera. Both condemned Mr. Mohammed's remarks.

Mr. Kaplowitz and other white faculty members, non-Jews as well as Jews, expressed concern this week that Mr. Convent and other black faculty members who attended Mr. Mohammed's speech seemed unwilling to disassociate themselves unequivocally from his remarks.

Indeed, some of them were. Eleanor McKnight, head of the Black Personnel Association on campus, said she sat through the speech and found only Mr. Mohammed's "use of profanity" objectionable.

### POLITICAL NOTES

#### Court Strikes Down 'Racial Gerrymandering'

SHREVEPORT, Louisiana — Louisiana's congressional districts must be redrawn because they were made to guarantee the election of two black representatives, a three-judge federal panel has ruled.

The panel did not invalidate the 1992 election, which gave the state two black congressmen for the first time since the Reconstruction period after the Civil War. But the ruling said the districts must be redrawn before the 1994 elections.

"We find the plan in general, and Louisiana's Congressional District 4 in particular, are the product of racial gerrymandering and are not narrowly tailored to further any compelling governmental interest," said the ruling, written by U.S. District Judge Jacques Wiener Jr. of Shreveport.

State Attorney General Richard Ivey's office issued a statement saying it had not seen the decision and could not comment. An appeal could go to a federal appeals court or the U.S. Supreme Court.

Louisiana redrew its districts in 1992. It had to eliminate one of its eight districts because census data showed Louisiana's population growth was not keeping pace with the rest of the nation. In redrawing the districts, state legislators anticipated pressure from federal courts to create a second black-majority district because of the 1965 Voting Rights Act, which gives the U.S. Justice Department the final say in state districts.

About 600,000 of Louisiana's 2.2 million registered voters are black. To create a second black district, lawmakers had to draw together scattered pockets of black people.

The result was the 4th District, with an electorate that is 64 percent black. It zig-zags 600 miles through 28 of Louisiana's 64 parishes, or counties. (AP)

#### Tab for Health Care is Set to Top a Trillion

WASHINGTON — Health care spending in the United States will exceed \$1 trillion next year, according to the Commerce Department.

Health spending will rise \$118 billion, to \$1.06 trillion, and will account for a record 15 percent of the nation's total output of goods and services in 1994, the department said.

Commerce Department officials said they foresaw robust growth for the industry even if Congress overhauls the health care system as President Bill Clinton has proposed.

Health spending will total \$942.5 billion this year and will rise 12.5 percent next year, the department said.

In recent months, the Labor Department has reported that the prices charged for medical goods and services appear to be rising more slowly than at any time in nearly two decades. But the volume of medical services and procedures continues to increase, the elderly population is growing, and the health care industry is continually introducing new medical technology.

As a result, the Commerce Department said, total health spending is rising as fast as ever. Indeed, a rise of 12.5 percent next year would be bigger than any increase in more than a decade. (NYT)

#### A Tardy Clinton Watches Razorbacks Roll

FAYETTEVILLE, Arkansas — President Clinton cheered the University of Arkansas basketball team to a lopsided victory after showing up late because of nasty weather.

"Welcome Home Bill and Hillary," the scoreboard flashed as Mr. Clinton shook hands with many in the crowd at the university's arena.

"I loved it," he said later in the winning locker room, where he was greeted by the Arkansas coach, Nolan Richardson, and players. The Razorbacks, the nation's top-ranked team, defeated Texas Southern, 129-63.

During the game, the president received a round of applause when introduced to the crowd. He sat near center court, and also sat in the box of Don Tyson, the Arkansas chicken magnate.

With the airport at Fayetteville closed because of fog, Mr. Clinton's plane from Little Rock had been diverted north to Rogers — for a 25-mile ride by car to the Arkansas campus. Mr. Clinton got to the game nearly 45 minutes after it began — and with his homestate team up by nearly 30 points. (AP)

#### Quote/Unquote

"What do you all want to do?" President Clinton, on vacation, asked his old buddies in Little Rock.

"Let's go bowling," answered David Leopoulos.

"You really want to do that?" Mr. Clinton said. "O.K. Let's go." (NYT)

#### Away From Politics

Massachusetts abolished a law that said spiritual healing was not a form of child neglect, an act that comes as national opposition to protecting the practice is mounting. The old law had said spiritual healing was not neglect when done according to the tenets of a recognized religion. Governor William Weld struck that down by signing a new law making child abuse a felony.

The deep freeze continued with more frigid weather from the Midwest to the East, and a snowstorm added to the mix in the East. Record U.S. lows for the date Wednesday included minus 15 degrees Fahrenheit (minus 26 centigrade) in Burlington and Montpelier in Vermont, and minus 3 Fahrenheit (minus 19 centigrade) in Binghamton, New York. At least seven cold-related deaths have been reported since the weekend.

California's second-largest health maintenance organization, Health Net, was ordered by a Superior Court jury to pay \$77 million in punitive damages to the family of a breast cancer victim who was denied coverage for a bone marrow transplant. The damage award was on top of \$12.1 million in compensatory damages the insurer was already ordered to pay by the same jury last week.

A drive-through version of the journey to Bethlehem is offered by the First Baptist Church of Poway, California, near San Diego. It allows visitors to view from their cars eight scenes depicting events surrounding Jesus's birth. The scenes, in the church parking lot, include live donkeys and sheep.

The Hubble Space Telescope will turn its camera toward the Orion nebula and other star clusters in the next two weeks, but the first pictures will only be tests. National Aeronautics and Space Administration astronomers said. The images will show NASA how well the telescope, repaired during a shuttle mission earlier this month, is working and will enable them to make more adjustments to the mirrors. NASA has promised to show the public the first clear picture of a distant star "other celestial object to prove the telescope has been fixed." (AP; LAT, Reuters)

## New No. 2 at State Department: The First Friend Moves Up

By Elaine Sciolino  
New York Times Service



Strobe Talbott at a news conference after his nomination as deputy secretary of state: Helping "in any way that I can."

### Promoters Sue Jackson Over Canceled Tour

LOS ANGELES — Promoters of Michael Jackson's canceled world concert tour are suing him for more than \$20 million, contending that an addiction to morphine and other drugs had destroyed his ability to perform.

Mr. Jackson bowed out of the tour Nov. 11 during its Mexico City leg, admitting an addiction to prescription painkillers. He sought treatment at an undisclosed location, apparently in Europe.

Mama Concerts of Germany, Pebbles Music Inc. of California and Marcel Avram, a

Munich promoter, filed suit in California state court Tuesday, alleging that Mr. Jackson was hooked on drugs long before the tour contract was signed and that he concealed his condition.

"Jackson was and/or is addicted to certain prescription and nonprescription drugs including morphine and Demerol" and was therefore "unable to function in a normal manner" and rehearse or perform adequately, the suit said.

Mr. Jackson's doctors have not specified the medication he became addicted to. Morphine, which is highly addictive, is an opiate.

Demerol is a synthetic narcotic painkiller. The superstar has said he became hooked on painkillers when he was given after scalp surgery required when his hair caught on fire during filming of a Pepsi commercial.

The suit charges breach of contract, fraud and misrepresentation. It seeks compensatory damages of more than \$20 million and unspecified punitive damages.

Mr. Jackson also faces a suit by a 13-year-old boy who accuses the singer of molesting him. He is also under criminal investigation. No charges have been filed.

## William L. Shirer, Wrote 'Rise and Fall of Third Reich,' Dies

By Herbert Mitgang  
New York Times Service

NEW YORK — William L. Shirer, a foreign correspondent and historian, died Tuesday in Boston where he had been treated for a heart ailment. He was 89 years old.

As a reporter in Paris, Berlin, Brussels, Amsterdam, Geneva, Rome, Vienna, the Balkans, the Middle East and India, he was frequently in the thick of things and occasionally made news himself. He was fluent in German, French and Italian.

While covering the 1936 Olympics from Berlin, he was publicly condemned by Joseph Goebbels' propaganda ministry for exposing Nazi anti-Semitism.

"All Jew baiting is officially off in Germany during the Olympics," he wrote, because Hitler meant to turn the Games into "a huge propaganda triumph." Mr. Shirer was accused of being a "German hater" and was threatened with expulsion.

In his later years, when he devoted himself to writing European history and his multivolume autobiography, "20th Century Journey: A Memoir of a Life and the Times," Mr. Shirer drew analogies between his past reporting experiences and present-day events.

His popular 1960 history "The

Rise and Fall of the Third Reich" as a sports reporter for The Cedar Rapids (Iowa) Republican.

He left The Chicago Tribune and spent a year as a free-lancer in a village in Spain in 1925, after graduating Phi Beta Kappa from Coe College in Cedar Rapids. He worked his way across the Atlantic by pitching hay on a cattle ship.

Instead of returning home to what he called the land of "Prohibition, fundamentalism, puritanism and Coolidgeism," he went to work on the copy desk of the Paris edition of the Chicago Tribune. His colleagues there included James Thurber and Elliot Paul. He took courses in European history at the College de France and, in 1927, became European correspondent of The Chicago Tribune.

Among the events he covered were Charles A. Lindbergh's solo flight across the Atlantic in 1927, the League of Nations sessions in Geneva and international sports events. From 1929 to 1932, he served in Vienna as chief of The Chicago Tribune's Central European bureau. His most challenging years were still ahead of him.

Roving around India and Afghanistan in 1930 and 1931, he began a long association with Mohandas K. Gandhi. "I spent much of my time traveling up and down the land with him," he said.

A skiing accident in the Alps in 1932 cost him the sight in one eye.

During those years, Mr. Shirer did occasional broadcasts for CBS Radio. In 1937, Edward R. Murrow, the chief of the network's foreign staff in London, invited him to open an office in Vienna to report on the Continent. Turning down offers from American newspapers, Mr. Shirer began a second career as a broadcaster.

At first, William S. Paley, who founded CBS, insisted that Mr. Murrow and Mr. Shirer merely arrange for the broadcasts and use newspaper correspondents to go on the air. As Mr. Shirer noted in his memoirs, Mr. Paley contended that "for us to do the reporting ourselves would be to commit ourselves editorially." Eventually the network gave in, and the Murrow-Shirer broadcasts from London and the Continent made history.

His observations of these tumultuous times later resulted in two

books that served as warnings about totalitarianism: "Berlin Diary: The Journal of a Foreign Correspondent, 1934-1941," and his major work, "The Rise and Fall of the Third Reich."

Mr. Shirer's other books included "End of a Berlin Diary" (1947), "The Western World Through Its Years of Conflict" (1952), "The Collapse of the Third Republic"

(1969), "Gandhi: A Memoir" (1980), three volumes of memoirs, novels and books for juveniles.

Meliton Kantaria, 74, one of the two Red Army soldiers who raised the Soviet flag over the battered Reichstag in Berlin on April 30, 1945, has died in Thilisi, Georgia. For millions, he symbolized the Soviet Union's World War II victory over the Nazis.

## N.Y. Police Can't Police Themselves, Panel Says

By Selwyn Raab  
New York Times Service

NEW YORK — In a harshly critical report, a special municipal panel has asserted that the New York City Police Department has failed at every level to uproot corruption and has instead tolerated a culture that has fostered misconduct and has concealed lawlessness by police officers.

The panel, called the Mollen Commission,

agreed with police officials who contend that corruption was not systemic, but rather isolated to small groups of rogue officers. But the commission warned that if corruption itself was not systemic, the department's failure to correct it was.

"We find as shocking the incompetence and the malfeasance of the department to police itself," Mollan Mollen, the commission chairman, said Tuesday as the panel released an

interim report on its principal findings. After an 18-month inquiry, the commission recommended a dual approach to reforming the department.

It called for the creation of an independent oversight agency, patterned after itself, to scrutinize the department's anti-corruption investigations and for a vast overhaul of internal programs for preventing and detecting misconduct.

**I**

**O** AUTUMN / WINTER COLLECTION

**O** SALE

**D** READY-TO-WEAR SELECTION OF HANDBAGS SHOES AND ACCESSORIES

**G** PARIS 2 FG. SAINT HONORE 350 RUE SAINT HONORE



Herald INTERNATIONAL Tribune

PUBLISHED WITH THE NEW YORK TIMES AND THE WASHINGTON POST

Hosokawa's Honest Start

After five bruising months in office, Japan's new prime minister, Morihiro Hosokawa, has lost some of his sparkle. But it is too soon to count him out. Japanese hopes for more democratic, less corrupt and more consumer-oriented politics still ride on his shoulders.

Mr. Hosokawa entered office with an ambitious reform agenda. He has had to come to terms with some formidable obstacles: his coalition government's thin parliamentary majority, strains between the coalition parties and the strength of Japan's powerful bureaucracy.

When Old Jobs Are Lost

The U.S. government's traditional response to the problem of unemployment has been to pump up the economy, help provide some benefits and wait for workers to find re-employment mostly on their own.

into a single retraining program for all permanently laid-off workers who qualified. It would try to improve the quality of assistance to the unemployed by creating a nationwide information network and a system of one-stop offices across the country in which an applicant could receive all the forms of available aid.

Tuberculosis Won't Wait

Combine the number of deaths from AIDS and malaria with the other well-known infectious diseases, and they still would not match the number of adults who reportedly die each year from tuberculosis.

Earlier in the year, the World Health Organization asked the United States to join a modest international effort to fight TB's spread in the developing world. The U.S. share of the tab: \$3 million.

Other Comment

UAL's Flight Into the Unknown

In practice, employee ownership has not always worked so well. Famous successes included John Lewis, a British retailer, and Avis. But the record of the many hundreds of American firms that employees have bought through leveraged buyouts is mixed.

This is not the best beginning for a brave new venture in industrial relations. The new UAL would not be a workers' cooperative. The unions would have only two directors on the board.



A Currency Cure for Eastern Europe

By C. Boyden Gray

WASHINGTON — The big trade agreements of the past few months have prompted rejoicing in the United States, Latin America, Western Europe and Asia. But they will be of little value to the former Soviet republics and Eastern Europe, where the growing economic disparity with the rest of the world will sow the seeds of enormous regional violence unless corrected soon.

These are all legal developments that took a thousand years to mature and are essential to the preservation of property values that are in turn essential to a market economy.

The lack of reliable currency convertibility reduces opportunities for investment, trade and growth.

for a stable, transferable and convertible store of property values. The best way to do this — and to emulate the best of the Marshall Plan — is to establish currency boards in every East European country.

What were these mistakes and lessons? Apart from the wrongheaded Smoot-Hawley tariff of 1930, the major mistake was to pull the financial plug on Germany in the 1920s, leaving it unable to establish sound money and trade with its neighbors.

Since the establishment of the first currency board (in Mauritius, in 1849), there have been more than 70 around the world. All have delivered sound money even during difficult wars.

sumed a level of sophistication in currency operations in Western Europe that simply does not exist in the East. So a simpler, more error-proof mechanism is necessary.

Is a Great Hong Kong Bust Just Around the Corner?

By Philip Bowring

HONG KONG — If the world were fair, when the Asian stock market bubbles burst they would bring down with them all the investment bankers, fund managers and hangers-on who get up-front fees and absurdly inflated bonuses for mismanaging other people's money.

Index from 3,000 at the end of 1990 to well over 11,000 today. Residential property is selling for \$7,500 a square meter, far outstripping affordability.

The winners from any crash might be Hong Kongers themselves.

All They Want Is a Tent and 40 Paces

By Clinton Bailey

JERUSALEM — Is it possible? The same Israeli government that recognized the Palestine Liberation Organization and will make peace with Yasser Arafat is waging a kind of war against Bedouin tribes, expelling them from the Negev desert. No bullets have been fired. But there is a discriminatory policy designed to get all the Bedouins off the land.

The government expropriated the land and began settling it with Israeli Jews while evicting Israeli Bedouins, who had lived there for centuries. According to Israeli law, Bedouins, who traditionally had oral agreements about property rights but no written deeds to their tribal grounds or individual plots, are squatters.

Over the years, 99 percent of the Bedouins have been driven off their lands, and their goats, their main livelihood, have been confiscated. Some Bedouins were moved into seven new townships in the northern Negev in which the government planned to settle them all. But most never got beyond the sprawling desert slums of shanties and ragged tents around Beersheva, because Israel has never provided the necessary finances to develop the townships.

Since August, they have maintained a protest tent on a hillside opposite Prime Minister Yitzhak Rabin's office in Jerusalem, but Mr. Rabin and his ministers have ig-

nored them. The government presents the expulsions as benevolent. The Bedouins, it says, must be brought into the 21st century. If they are concentrated in the townships, the argument goes, they will have access to proper schools and medical care. Dwelling in tents is uncomfortable; life under a roof will bring them happiness and ease.

Official neglect has left education and health in the townships below Israeli standards, the government's own surveys show.

The issue goes beyond fair treatment. The nomadic life has been celebrated in the Bedouin culture for thousands of years. In Bedouin po-

ems, a tent is where "men get together and guests know no want." It signifies latitude and freedom. It is more than what is covered by a roof; it is by tradition the area all around — 40 paces on each side. It is a place of shelter and hospitality open to all, not a house hidden behind a door.

The writer, an Israeli anthropologist, is author of "Bedouin Poetry From Sinai and the Negev: Mirror of a Culture." He contributed this column to The New York Times.

Social Management: Battlefield for '94

By Jim Hoagland

WASHINGTON — The Year of Social Management. Debates in America, Europe and Japan about the fate and financial viability of welfare capitalism should dominate 1994.

With the NAFTA and GATT agreements in place, the Clinton administration and Congress turn to devising a new health care system for America. The real battle will be over the philosophy of governance and national resources, not prescription fees and choice of physicians.

In Europe and Japan, unemployment, rather than health care, is the arena for fundamental debate about government's obligations and capabilities. A recent editorial in The Financial Times points to the core issues of each debate.

"The Atlantic nations in general and Europe in particular face competition from the younger, harsher, more robust capitalism of South Asia. If welfare capitalism is to be sustained, its managers must find new means of controlling its cost and minimizing the cost to employers. Radical policies, centered around the notion of giving the poor a hand-up rather than a hand-out, must be pursued."

The point is not that handouts are bad. That is accepted wisdom, entrenched during the Reagan-Thatcher years. What is interesting is the editorial's insistence that government has a role in providing a hand-up. This is not an obvious sentiment (for London newspaper dedicated to covering the world's financial markets).

Government spending channeled through "new structures that provide accountability, transparency, choice and genuine care for those who cannot manage for themselves" should have a higher priority than reducing government spending in the abstract, the editorial suggests. President Bill Clinton could comfortably adopt that language for his health care argument.

With the U.S. economic recovery beginning to pick up steam, it is time to recognize that deficit reduction is not the overwhelming priority it seemed a year ago. What matters is not how much government spends, but how well it spends and on what. If the health care debate brings acceptance of the idea that intelligent spending on public health and public infrastructure can contribute significantly to American competitiveness in the changing world economy, it will be a debate worth having.

Old liberal ideas that spending can solve problems by itself, and conservative dogma that government spending is always wasteful, are both outdated. The need for new productive public infrastructure investment in America was hammered home with characteristic verve by the Wall Street investment banker Felix Rohatyn in an absorbing speech Nov. 30 at Harvard.

Mr. Rohatyn cites structural unemployment — the creation of a large slice of permanently unemployed or underemployed workers as industries and companies downsize or die — as "the biggest economic and social challenge now facing the West."

America needs to launch "a large-scale public works program, federally financed and supplementing state and local programs," he said. A \$250 billion 10-year program concentrated on high-speed rail, mass transit, airport construction and other projects would create 1 million new jobs a year and spark a wide conversion of defense industries, Mr. Rohatyn asserts.

His crucial suggestion — the one that separates his proposal from nostalgia for the Works Progress Administration of Depression days — is that "the financing for such a program could be separated from the federal budget, with special issues of infrastructure bonds, secured by modest increases in gasoline taxes or other recurring revenues." The bonds would be paid off in 30 years and would be available to private and public pension funds, which now control \$3 trillion.

The Rohatyn proposal implicitly recognizes that part of the deficit problem is an accounting problem. Government investment is treated as government consumption. It is all red ink, with no returns on investment calculated. For two about the Rohatyn idea: The end of the Cold War makes federal control of airports and national transportation less vital and private sector participation in these projects more feasible.

But it is the international economic context that creates the need for a dramatic rethinking of the patterns of public and private investment flows. Mr. Rohatyn fixes America's economic needs squarely in that context. No major Western country is capable of being the locomotive to generate sufficient economic growth to cure its own structural unemployment now. "It is questionable that any one region is capable of doing so," he says starkly.

"For the first time in modern history, the locomotive for the West must come from new growth in the rest of the world," and particularly from Asia and Latin America. "The future of our economy is organically and permanently tied to the developing world."

This is the focus to come, bit on separately by the London editorialist and the Wall Street financier: New and intelligently designed public investment is needed to square the demands of social justice, economic growth at home and global competitiveness that is being reshaped by the robust capitalism coming out of Asia. Out of fashion in the Reagan and Bush years, Social Management will be the issue of 1994 — and beyond.

There are some fundamental strengths, notably the fiscal reserves "in excess of the monetary authorities." But the situation bears a close resemblance to 1982. Then, easy money created a lack of concern about political problems, until one day the markets simultaneously woke up to political hazards and the consequences of monetary irresponsibility. The result: stock, property and banking collapses, and a run on the currency.

History never quite repeats itself. The losers from any crash now would be mostly non-Hong Kong people. Hong Kongers themselves might actually benefit, at the expense of the property developers. But just what this would do to the relationship with China is hard to fathom. One problem could be that Hong Kong currency. While it may have been undervalued in the past, how well could it sustain capital outflow and a stronger U.S. dollar? What would real interest of six percent, not minus 6 percent, do to the bubble? What price then a strong currency, rather than a perpetually devalued yuan? Hong Kong, like China, has become hooked on easy money.

The Chinese-British Joint Declaration on Hong Kong is supposed to ensure that Hong Kong keeps its own currency and monetary independence. Its businessmen have shown they care little about the declaration's other promises regarding an elected legislature and "autonomy" for Hong Kong. But what happens if the currency, or its peg to a foreign currency, becomes similarly "unconcerned" to Beijing for whatever reason? Then again, maybe it would be better not to envision such a fantasy.

IN OUR PAGES: 100, 75 AND 50 YEARS AGO

1893: Gladstone Is 84

LONDON — Mr. Gladstone completed his eighty-fourth year yesterday (Dec. 29). The Premier rose at his usual hour and was in excellent health. His mail bag was an exceptionally heavy one, and telegraph messengers succeeded each other with bewildering rapidity in their journeys to Mr. Gladstone's house.

Among those who sent their congratulations were the Queen and the Prince and Princess of Wales. The Premier attended to his voluminous correspondence after breakfast, and met his colleagues at noon in the Council Chamber, when he was profoundly affected by the warmth with which he was greeted.

1918: The Seine Rises

PARIS — The rise in the Seine continues. At the Austerlitz bridge, the water yesterday (Dec. 30) had reached the 3m. 36cm. mark, showing a rise of 32cm. in twenty-four hours.

1943: Berlin Bombed

LONDON — [From our New York edition:] Royal Air Force bombers attacked Berlin last night (Dec. 30) for the eighth time in a six-week period. It was announced today by London. The German radio report of the raid said: "The sky was covered with a thick layer of clouds and British planes dropped explosives and incendiary bombs on thickly populated residential districts." The reference to "residential districts" would indicate that the British, following their plan for the systematic destruction of Berlin, bombed one of the city's industrial suburban areas.

International Herald Tribune advertisement listing staff members: KATHARINE GRAHAM, ARTHUR OCHS SULZBERGER, RICHARD MCKEAN, JOHN VINKER, WALTER DILLON, CHARLES MITCHELL, BERTIE JONAH, RENI BONDY, and JOHN W. H. MURPHY.

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OPINION

Who's Out to Get Clinton? The No-Slack, Bitter Right

By E. J. Dionne Jr.

WASHINGTON — David Brock, whose dislike for Mr. Clinton is rooted in something other than politics...

I'm talking about the ideological conservatives who would have forgiven Ronald Reagan anything.

nor of Arkansas. In his piece in the American Spectator magazine, the tough-minded, skeptical Mr. Brock has disappeared...

the next time my conservative friends criticize the "irresponsible liberal media" or talk about "the decline of civility in American life..."

Come is all the conservative talk about the need to "respect the president" the concern about "ruining people's lives" with unfair charges...



On Second Thought, Bozo, Just Call Me Mr. Buckley

By William F. Buckley Jr.

NEW YORK — Some years ago I wrote a column ("Just Call Me Bill") in which I reproached myself for excessive formality...

MEANWHILE

interviews called everybody, with maybe the exception of the Duke of Windsor and his Duchess, by their first name...

But the clock has moved so rapidly on the matter that much of the younger generation is apparently appalled at any prospect of using the more formal mode of address...

I was stunned. I might have replied, "I am Mr. Buckley, not Mr. William." But the freckled girl had such a sunny countenance I felt that any rebuke...

man. All they had to do was yell "socialized medicine" and the American Medical Association took care of the rest. But suddenly the assumptions on health care have changed...

LETTERS TO THE EDITOR

starve and freeze — speaks louder than a thousand official pronouncements.

Regarding "In Bleak Bosnia Forecasts, CIA Sees Partition Likely" (Dec. 23):

This report would constitute an amusing year-end spoof were not so much human misery involved...

A Brave Spielberg Film In response to the feature "Steven Spielberg Tackles the Holocaust" (Dec. 17):

only worsened. If the best that can be said is that the level of abuse has stabilized...

The Drug Wave Rolls On Regarding "Giving In Won't Make Drugs Go Away" (Opinion, Dec. 11):

While I am often in agreement with Mr. Rosenthal, this time I find myself in opposition with his head-in-the-sand approach...

produced one meaningful result: at the same time, the drug war, the overcrowded prisons and the medical care of addicts...

Biblical Life Control To Frances Tyson's letter of Dec. 23 on the issue of abortion, I would like to counter: "Thou shalt not kill."

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# China Defends Law for Control of Births

## Beijing Says Policy Is 'Totally Different' From Nazi Eugenics

By Steven Mufson  
Washington Post Service

BEIJING — Stung by foreign criticism of a proposed "eugenics" law to prevent birth defects, China said Wednesday that the draft legislation unveiled last week would not coerce mothers into having abortions.

The essence of China's better births policy is totally different from the racist "eugenics" policy pursued by Adolf Hitler during his Third Reich, said a Ministry of Public Health statement carried by the press agency Xinhua.

The statement dropped language used last week and instead of calling the proposed legislation "On Eugenics and Health Protection," referred to it as a "draft natal and health care law."

As described last week, the law would use sterilization, abortion and bans on marriage to prevent people from passing on mental disabilities and certain diseases, including hepatitis, to their children. The law was designed to "avoid new births of inferior quality and heighten the standards of the whole population," the news agency had said.

On Wednesday a spokesman disavowed that language, saying, "The official English translation of the new natal and health care law will not be finalized until the law is promulgated." Ordinarily, draft laws are adopted by the National People's Congress without any significant change.

The spokesman stressed that the aim of the law was to prevent the birth of people with serious hereditary diseases or mental disabilities. As a relatively poor, developing country, China is a place where such people face severe challenges.

The government said as many as 460,000 children in China are born every year with birth defects and disabilities that could have been discovered through testing before birth. It said there were about 10 million people with similar congenital problems living in China whose births could have been prevented.

Although parents in developed countries often undergo genetic testing to detect potential birth defects, such testing is a matter of personal choice and private conscience. The drafting of a government policy in China raised concerns about the degree of coercion involved, a concern exacerbated by controversy over the degree to which coercion has been used in China's policy of one child per family.

Last week, the Public Health Ministry would not answer questions about how the proposed law would be implemented.

But a ministry spokesman said Wednesday in the statement that even if a doctor advised a woman to have an abortion because she was unable to give birth to a disabled or sick baby, the draft law stipulated the termination of preg-

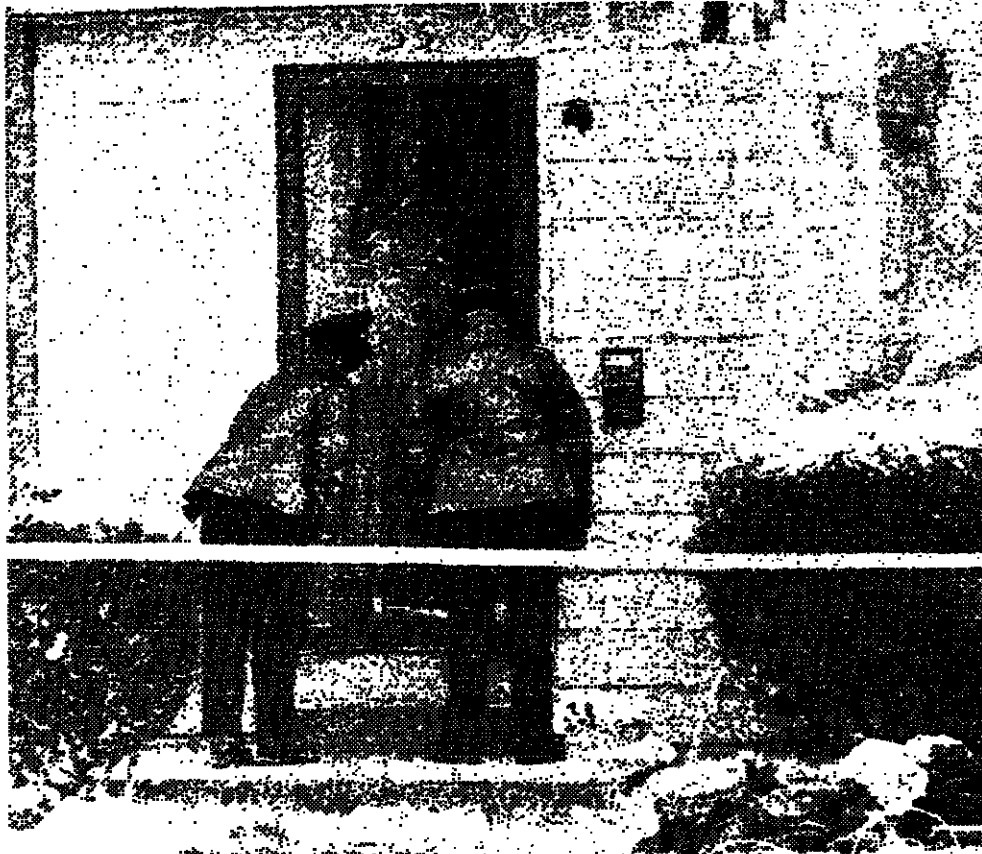
nancy must be with the agreement of the woman or her guardian.

"This provision indicates that the law respects the right of individuals to make their own judgments, and reflects the principle of combining government guidance with individual choice," the spokesman said. "The law will serve to prevent or reduce the number of births of seriously sick and disabled children," he said, adding that would "improve the quality of the Chinese population."

The purpose of China's law is "to give birth to healthy future generations," he said. "The essential content is health care for mother and child."

But the draft law would make demands on some couples. It would require certain couples to postpone marriage or take long-term contraceptive measures after marriage, he said. These include couples diagnosed as having reproductive diseases, hereditary diseases that lead to seriously sick or disabled children, schizophrenia, manic-depressive psychosis and other severe psychoses, or acute infectious diseases including venereal diseases.

The original description of the law also mentioned hepatitis, a liver disease common among the Chinese. Hepatitis A can be cured and need not be so serious. Hepatitis B is more serious and can be passed on to children by their mothers and can lead to chronic liver problems.



Police officers peering into a Rochester, New York, home where two persons were killed by a bomb.

# BOMBS: 5 Die in New York

Continued from Page 1  
was killed at her home in West Valley, 30 miles (50 kilometers) south of Buffalo, and the stepdaughter of Robert Fowler, Eleanor's husband, who was killed along with a co-worker, John O'Donnell, at a garage where they worked in Cheektowaga, a Buffalo suburb.

Patricia Epperson, another of Mrs. Fowler's daughters by a previous marriage, was killed by a bomb sent to her apartment in Rochester. Also killed there was a friend, Richard Urban. And Miss Epperson's uncle, William Lazore, was wounded in the leg and chest by a bomb mailed to him in Hogsburg, hundreds of miles away in northeastern New York.

The bombs were dropped off by delivery services or by mail in brown cardboard boxes measuring about 3 by 12 by 18 inches (about 8 by 30 by 45 centimeters), authorities said. Inside were metal tackle boxes containing the homemade bombs.

In Cheektowaga, Police Captain Thomas Rowan described the bomb sent there as "an anti-personnel device" filled with shrapnel. "It was made to kill," he said, adding that security cameras at the Armored Motor Service of America depot captured the explosion on videotape.

The bombs apparently were detonated by opening the boxes, several of which carried a return address of The Liberty Iron and Metal Company of Erie, Pennsylvania. The company said it has no idea how the bombs obtained the boxes.

Thomas Constantine, the superintendent of state police, said there appeared to be "some type of a vengeance factor or a vendetta or financial," but he was not sure of which, for many members of the Fowler family.

Another bomb was sent to the Fowlers' daughter, Lucille, who lives in New Albion, 40 miles south of Buffalo, and was defused by the police. A bomb sent to her brother, Scott Kemp, at a home 50 miles southwest of Buffalo, where he works as a guard, was intercepted.

# Two More Are Killed In Algeria

Compiled by Our Staff From Dispatches  
ALGIERS — The bodies of a Belgian and his Algerian wife were found on Wednesday, raising to 24 the number of foreigners killed in Algeria since Sept. 21 and the 17th since an ultimatum by Muslim fundamentalists, warning foreigners to leave the country or face death, expired Nov. 30.

The two were identified as Bernard Robert, 45, and his wife, Yekhlil Fadila, 40.

The slayings have sparked an exodus of many of the 70,000 expatriates in Algeria, dealing a blow to a government dependent on foreign expertise and capital for its flagging economy.

The bodies were found a day after armed men killed the poet and writer Youssef Sebti at his farm. Fundamentalist militants have singled out officials, security forces, intellectuals, journalists and, since September, foreigners.

It was not immediately known if Mr. Robert had converted to Islam to marry his Muslim wife. Under Islamic law, a Muslim woman cannot marry a non-Muslim, but Muslim men may marry Christian or Jewish women.

The wave of killings comes amid a Muslim fundamentalist campaign launched after a government crackdown on militants.

Two weeks ago, 12 Christian Croats and Bosnian men, working on an Algerian state-funded project for the Croatan dam-building firm Hidroelektra were slain at Tamezguida, about 50 kilometers (30 miles) south of Algiers.

Other victims of killings attributed to Islamic fundamentalists since September include three French nationals, three Russians, three Latin Americans, a Spaniard and a Briton.

More than 2,000 people have died since the military-backed government canceled runoff parliamentary elections in January 1992 that the Islamic Salvation Front was expected to win.

On Tuesday, a Muslim fundamentalist leader called on Islamic fighters to continue their holy war, rebuffing offers for dialogue. Abderrazek Radjan, head of the Islamic Salvation Front's information commission, also called on fighters to unify their ranks.

(AFP, AP)

# U.S.-North Korea Talks Quietly Continue at UN

Compiled by Our Staff From Dispatches

UNITED NATIONS, New York — North Korea said it had made new proposals to the United States on Wednesday in negotiations to resolve a dispute over Pyongyang's nuclear weapons capability.

A diplomatic source said the previously unannounced session was inconclusive, with "progress measured in inches."

Thomas C. Hubbard, deputy assistant U.S. secretary of state for East Asia and the Pacific, met for more than an hour at UN headquarters with Ho Jong, North Korea's deputy UN delegate.

Mr. Hubbard would only say after the meeting that the North Koreans had requested the meeting and that "we expect the dialogue to continue." The implication was that the North Koreans were re-

sponding to earlier U.S. proposals for ending the showdown over North Korea's nuclear program.

"We made a very reasonable, acceptable proposal to the United States to quicken the solution of nuclear issues," Mr. Ho said. "The ball is now in the court of the United States."

The State Department, meanwhile, said the talks would be accelerated. "The talks will continue

and the pace is quickening," said David Johnson, a State Department spokesman.

The two sides, which lack formal diplomatic ties, have met unannounced several times in the last few weeks at the United Nations. They met twice last week, amid reports of progress.

The Central Intelligence Agency said in a report to Congress that it believed it likely that North Korea has developed one or two atomic bombs. North Korea denies such charges. President Kim Young-Sam of South Korea said Tuesday that while the North wants to develop nuclear weapons, it does not appear to have one yet.

Washington is trying to persuade North Korea to agree to thorough international inspection of its nuclear facilities.

The United States has expressed a preference for a "comprehensive" diplomatic resolution to the dispute.

But Washington also has said that it might ask the UN Security Council to approve sanctions against North Korea if it does not cooperate.

However, China, a close ally of the North with Security Council veto power to block sanctions, has declared its opposition to attempts to coerce North Korea. (AP, Reuters)

# Greek Satanist Group Accused of Killing 2

By Paul Anastasi  
New York Times Service

ATHENS — Greece was shocked Wednesday by the official disclosure of a group of satanists who confessed to black magic orgies that culminated in two human sacrifices.

An official police announcement said that four alleged ring-leaders, three soldiers in their early 20s and an 18-year-old woman, had confessed to murdering a 14-year-old girl and a 27-year-old woman in the culmination of satanic rites of worship.

The announcement said that the satanists were arrested on Christmas Eve, prior to the planned Christmas Day sacrifice of another four women.

Greece has one of the lowest crime rates in the West, a fact attributed largely to the perseverance of strong family ties and the influence of the Orthodox Church.

Two of the four ring-leaders were jailed at a military prison on the outskirts of Athens pending their trial, after being charged on twelve counts. The charges include multiple premeditated murder "of a particularly heinous nature," torture, conspiracy, arson and the illegal possession of arms.

These charges previously carried the death penalty in Greece, but the penalty was abolished last month.

The Athens prosecutor said the two imprisoned satanists had recruited young women to their sect for human sacrifice since 1990. He identified them as Greek Army soldiers, Asimakis Katsoulas, 22, and Manolis Dimitrakakis, 21.

The two other alleged ring-leaders, Haralambos Zambas, 20, also a soldier, and Dimitra Marieti, 18, were still under interrogation.

According to the charges, the group carried out rituals in tribute to a satanic god; rituals that mostly involved drinking and sex orgies. They would then restrain their victims with chains and handcuffs, torture them, and in two cases put them to death with daggers and a gun.

The sect's headquarters were discovered on the northern outskirts of Athens, after one of the four girls being readied for Christmas sacrifice broke down and reported the rituals to police.

Greece's minister of public order, Stelios Papathemelis, said Wednesday, "Greek public opinion must brace itself for the worst. For the investigation will go very, very deep. It will cover many key sectors of public life ranging from the military, the church and the educational system, to the influences of television films on today's youth."

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# Russia Discards Plan For Deeper Army Cuts

Compiled by Our Staff From Dispatches

MOSCOW — Defense Minister Pavel S. Grachev of Russia said Wednesday that his country's army should stabilize at 2.1 million men and attacked plans by the former parliament to bring the number down to 1.5 million.

The minister said that the government would not act on a law, adopted by the parliament, reducing army strength to 1.5 million, according to comments reported by the Itar-Tass and Interfax news agencies.

General Grachev said the army had already been reduced by about 500,000 men over 18 months and now stood at 2.3 million.

The army, which had 4 million soldiers at the height of the Cold War, will be cut to 2.1 million by the end of 1994, General Grachev said.

Most Western and Russian experts believe that the army already stands at less than 2 million.

"We aren't going to make sharp cuts, we aren't going to hurry," said General Grachev, whose troops have been demoralized by the chaos and cutbacks that followed the collapse of the Soviet Union.

President Boris N. Yeltsin has repeatedly showed his gratitude to the army for coming to his defense, albeit reluctantly, and helping him defeat his hard-line opponents in parliament on Oct. 4.

Since then, he has raised soldiers' salaries and pensions, exempted them from income taxes, paid high-profile visits to military bases and scaled back plans for converting factories from defense to civilian production.

Mr. Yeltsin and General Grachev had previously said that Russia should have an army of 1.5 million soldiers by 2000. But General Grachev on Wednesday held the former parliament responsible for that now-discarded plan.

Andrei Kortunov, an analyst with Russia's Institute of USA and Canada, said, "Yeltsin realizes that his positions are eroded and he might need the support of the army."

General Grachev's comments "clearly indicate that the military reform will go more slowly than it had been anticipated," Mr. Kortunov said. (AFP, AP)

# NAFTA: Free-Trade Hemisphere?

Continued from Page 1

the century," Secretary of Commerce Ronald H. Brown recently said in Mexico with regard to a Western Hemisphere free-trade zone. "Venezuela, Chile and Argentina should be in the first wave of countries to be considered."

In the meantime, the regional building blocks of a hemispheric trade zone are taking shape.

Customs unions, a dream since the end of Spanish and Portuguese colonial rule in the early 1800s, are integrating major geographic areas: Central America, the Caribbean, the Andean nations and the Southern Cone, which includes Argentina, Brazil, Paraguay and Uruguay.

Trade among Latin America's 11 largest economies jumped 28 percent in 1992, reaching \$19.4 billion.

"The free-trade agreements have developed beyond all expectations," said Norberto Sanin, foreign minister of Colombia, a nation that is negotiating trade accords with 22 other Latin American countries.

Timetables for tariff reduction indicate that most trade within Latin America will be tariff-free by the end of the 1990s, according to a study released in October by the Latin American Economic System, an inter-governmental organization based in Rio de Janeiro.

"Isolated countries have no destiny, no future," President Carlos Saul Menem of Argentina told a regional financial group this month.

Of the South Americans, Brazil shows the least interest in joining the North American bloc. In September, at a regional heads of state meeting, President Itamar Franco blocked approval of a nonbinding motion of support for NAFTA.

Instead, he presented a plan for the Northern Common Market, a free-trade pact encompassing Brazil and its Amazon neighbors — Guyana, Suriname, Venezuela, Colombia, Ecuador, Peru and Bolivia.

Brazilians fear that under the North American accord, the United States will eventually import duty-free from Mexico goods that are taxed when imported from Brazil: orange juice, shoes, steel and automobile parts.

But, said Carlos Langoni, international studies director of the Getulio Vargas Foundation, the North American accord gives powerful support for consolidating free-trade policies in Brazil.

"In Brazil, there are still many businessmen asking for quotas, for protective tariffs," he said. "NAFTA's approval will make it more difficult for Brazil to move away from trade liberalization."

# RUSSIAN: Raving-Mad Reviews

Continued from Page 1

ar weapon called Elipson, far stronger than the atomic bomb, that could "annihilate the whole world."

Responding to that remark on Wednesday, Defense Minister Pavel S. Grachev of Russia said he knew nothing about the existence of such a superweapon.

The next stop for Mr. Zhirinovsky was Bulgaria, where he sought to go his Austrian performance one better. After arriving on Saturday, he announced that his friend and host there, a Bulgarian businessman named Svetoslav Stoliarov, would be the "future president of Bulgaria."

He called for new presidential elections and said the Bulgarian president, Zhelev Zhelev, "should retire — let him take a rest."

On Tuesday, when Mr. Zhirinovsky went to lay flowers at a monument in Sofia, an angry crowd of about 500 Bulgarians gathered to jeer him, pelting him with debris and yelling taunts including "Damn you!" "KGB!" and "Go home!"

Mr. Zhirinovsky also had some choice words for Bulgaria's neighbor, Romania, which he called an artificial state composed of other countries' territories and peopled by "Italian gypsies." In Bucharest, the government summoned the Russian ambassador on Wednesday to lodge a protest.

On Tuesday, the Bulgarian government ordered Mr. Zhirinovsky to leave the country within 24 hours. But when he tried to depart Wednesday, he found himself stranded at the airport in Sofia, the victim of a pilot's strike.

According to a Reuters report from Sofia, Mr. Zhirinovsky was left fuming in the airport's VIP lounge. The news agency said he told a Russian Embassy official who accompanied him: "Call Bulgaria's president and tell him he's scum. He takes better care of Rus-

sian prostitutes working in Bulgaria but offers no cooperation to Russian deputies."

A spokesman for the Australian Embassy confirmed that an aide to Mr. Zhirinovsky had requested a visa application for the national to visit Sydney, where he has a niece. In response to the rumored visit by Mr. Zhirinovsky, who is prone to anti-Semitic remarks, Australian Jewish leaders demanded that any visa application from him be rejected.

**Germany Slams the Door**  
The German government denied Mr. Zhirinovsky permission to enter the country with several associates on Wednesday, saying his renewed presence would "prejudice German state interests." The New York Times reported from Bonn.

Officials said the decision was made by Foreign Minister Klaus Kinkel, who heads the Free Democratic Party in Chancellor Helmut Kohl's coalition.

"The German government has no interest in having Zhirinovsky make his extreme right-wing statements in Germany," Dieter Vogel, the government spokesman, told German radio.

**Condemnation From U.S.**  
The United States on Wednesday condemned "anti-Semitic, racist" views expressed by Mr. Zhirinovsky. Reuters reported from Washington.

A State Department spokesman said "Zhirinovskiy has a history of inflammatory public statements, and the U.S. government condemns the anti-Semitic, racist and xenophobic views expressed in many of Mr. Zhirinovsky's statements."

# TALKS: No Israel-PLO Deal Yet

Continued from Page 1

Palestinians would continue to be handled the same way, by Israel. Palestinians or Arabs visiting the Arab occupied territories would be handled by Palestinians border officials. A third category, including diplomats and senior officials would be handled by both Israeli and Palestinian officials jointly.

But Israel has insisted that it will retain the right to veto what it described as "problematic visitors" and will insist on some form of continuing direct control of Palestinians as it does now, even if they are checked by PLO officials.

For their part, PLO negotiators reject Israeli interference with Palestinian visitors.

The two parties also had widely different visions of the size of Jericho. PLO officials held out for an

area of 200 to 300 square kilometers. Israel offered a region about 50 square kilometers in size. Israel also rejected a Palestinian request for access to the Dead Sea. Instead, it offered access to the town of Ujja, which is north of Jericho, and to a holy Muslim shrine known as Al Nabi Moussa, east of Jericho.

**Alert in South Lebanon**  
Hundreds of villagers fled their homes Wednesday in south Lebanon as Israeli forces and pro-Israeli guerrillas went on alert following the worst fighting in five months. Reuters reported from Jbaa, Lebanon.

Hezbollah guerrillas fired about 80 rockets into Israel's buffer zone Tuesday and Wednesday, and Israeli Army and militia gunners lobbed scores of shells into outskirts of 15 villages where guerrillas were active.

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# SUITS: A Move Toward Dressing Down for the Office

Continued from Page 1

president of Mister Guy clothing stores in Kansas City.

John Russell, a Justice Department spokesman who has worked for the federal government since 1970, said that in the last few years he had noticed department attorneys coming to the office in jeans and casual clothes "when they know they are not going to be meeting with the public and are preparing briefs or in a long writing project."

something called time poverty," Mr. Karl said. "We don't have enough time anymore to enjoy our lives." So office workers use what Karl calls a trompe l'oeil effect.

"You can dress down and pretend you are a little more relaxed, a little less stressful," he said.

Triltsch, a principal at Gulfstream Global Investors Ltd. in Dallas, "I'll wear slacks and a T-neck sweater and maybe a bomber jacket." Mr. Triltsch travels often to Europe and sees the same casual tastes taking hold there.

Large sectors of certain industries, particularly West Coast computer and electronic companies, have long rejected ties and coats altogether and coaxed more conservative companies like International Business Machines Corp. in that direction.

كسوة من الاصل



HEALTH / SCIENCE

Tests for Breast Implant Leaks Held Dubious

By Sandra Blakeslee  
New York Times Service

NEW YORK — A growing number of medical laboratories are offering diagnostic blood tests to women with silicone breast implants, promising that they can determine whether the implants are leaking, posing serious health risks.

The general strategy in developing these tests is to look for antibodies, molecules that attack and neutralize foreign proteins in the body. The approach is based on a belief held by some researchers that silicone, even though it is a synthetic polymer and not a protein, may touch off the formation of antibodies. They also believe that this process is linked to breast implant complications.

None can predict any specific immune response to silicone, says one researcher.

antibodies are related to silicone, Dr. Kossovsky said. They could be associated with a neurological disease that for unknown reasons strikes women with implants.

But Dr. John Naim, director of surgical research at Rochester General Hospital in New York, points out that silicone is a gummy material and all sorts of antibodies readily stick to it. A person with a cold or flu may have high antibody levels, he said, and these antibodies will stick to silicone.

Most ideas about how silicone causes disease have not been accepted by mainstream researchers. But Dr. Kossovsky, who has been studying the fate of silicone in human tissue for 12 years, has just published a new theory that he hopes his colleagues will consider.

Described in the December issue of The Journal of Applied Biomaterials, the theory posits four steps through which the immune system copes with silicone breast implants. All breast implants eventually leak tiny droplets of silicone. Over years, according to this theory, biological forces spread these droplets, which are small enough to travel down nerve sheaths, to distant tissues in the body, far away from the breast.

These silicone droplets are sticky and oily. Dr. Kossovsky said, and attract proteins in the way modeling clay draws ink from comic pages.

Proteins like albumin, fibronectin and fibrinogen coat the silicone droplets, which are soon sought out by one of the body's first defense systems — macrophages.

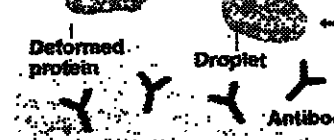
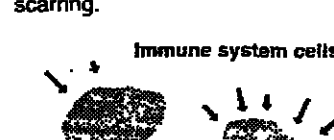
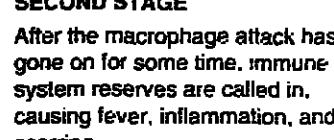
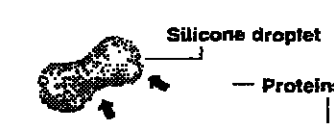
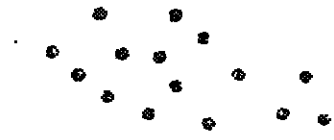
Macrophages are designed to devour little particles in blood and tissues, he said, and go about their job diligently in this first stage of the immune response.

Silicone is particularly adept at arousing the immune system because it readily changes the shape of proteins and invites antibodies to attack. Dr. Kossovsky said.

Other patients, he said, could have problems with their immune systems and would have become ill with or without implants. No one knows how to tell the two apart.

Silicone and Rejection: A Theory

Over time, an implant leaks tiny droplets of silicone, which travel to distant tissues.



Source: Dr. Nir Kossovsky

Blood tests that seek to determine whether a breast implant is leaking silicone are based on the immune system's escalating warfare on foreign proteins. Some researchers say silicone collects proteins that sets off the rejection process.

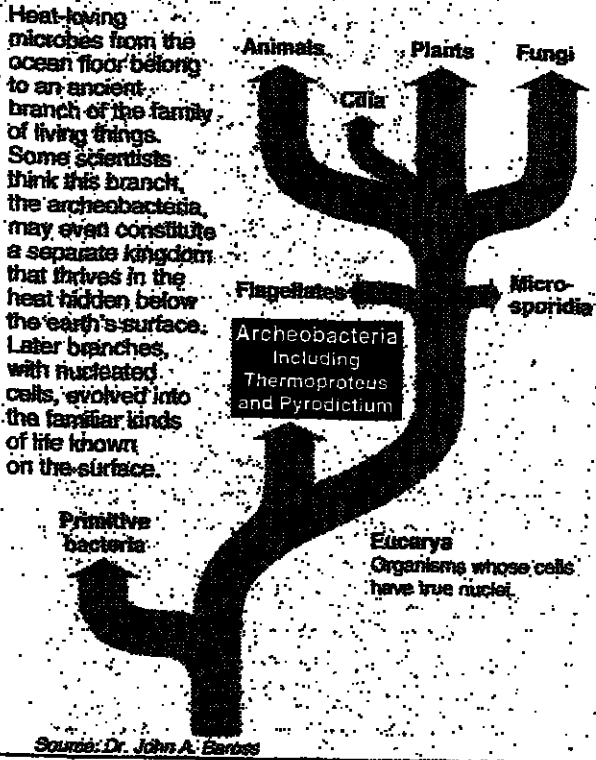
FIRST STAGE Proteins coat the sticky, oily droplets, which are soon sought out by macrophages, immune system scavenger cells designed to devour intruders.

SECOND STAGE After the macrophage attack has gone on for some time, immune system reserves are called in, causing fever, inflammation, and scarring.

THIRD AND FOURTH STAGES Deformed proteins invite a more vigorous attack, including antibody formation. In some people, the attack becomes chronic, and is directed at the body's normal proteins, too.

Robert I. Kaplan/The New York Times

Revising the Tree of Life



Parallel World? Microbes Teem In Earth's Deep

By William J. Broad  
New York Times Service

NEW YORK — New forms of microbial life are being discovered in such abundance deep inside the Earth that some scientists are beginning to suspect that the planet has a hidden biosphere extending miles down, whose total mass may rival or exceed that of all surface life.

Even skeptics say the thesis is intriguing enough to warrant new studies of the subterranean realm.

What makes the new kinds of microbes so extraordinary, and what has fueled debate over their significance and distribution, is their love of extreme temperatures, anaerobiosis and other forms of life. Microbes have been found that flourish at up to 230 degrees Fahrenheit (110 degrees centigrade) and perhaps can briefly survive heat as high as 700 degrees.

Most of these heat-loving microbes are ancient organisms. Some scientists say that they may represent the original form of life on Earth and that similar organisms may eventually be found elsewhere in the universe.

During the past decade these microbes, known as hyperthermophiles, have been found in hot springs, active volcanic craters, vents beneath the ocean floor and, most recently, in oil reservoirs some two miles down. They tend to thrive in areas of extreme heat and pressure, which are general features of the subterranean world.

Some scientists say the microbes may be ubiquitous throughout the upper few miles of Earth's crust, inhabiting fluid-filled pores, cracks and interstices of rocks while living off the Earth's inner heat and chemicals.

Their main habitats would be in the hot aquifers beneath the continents and in oceanic abysses, fed perpetually by the nutrients carried by the slow circulation of fluids like oil and deep ground water. Never exposed to sunlight but thriving in the darkness, the microbes would constitute a strange new kingdom independent of the Earth's surface and its diverse inhabitants, which generally get their energy from sunlight through the process of photosynthesis. In contrast, the deep biosphere would be powered by the planet's inner energy.

"Potentially, there's an enormous amount of biomass down there," said Dr. Norman R. Pace, a biologist at Indiana University who has written about the possibility of a deep biosphere. "The question is how deep, how hot and how much." He added that the odds of discovering a hidden biological realm were fairly good.

"Wherever you find chemistry that's appropriate," he said, "you find life." New studies are planned or proposed to find out whether a new world lies deep inside the Earth.

Dr. John A. Baross, a biologist at the University of Washington in Seattle who studies heat-loving microbes, says he believes that the deep biosphere exists in some form and was probably the birthplace of life because it was safe from the riot of speeding rocks and radiation that battered Earth in its early days.

DETECTION of a deep biosphere, scientists say, would topple many assumptions about the Earth's evolution. It would suggest new clues to the origin of microbial fossils, as well as new places to seek them. And it would suggest that biological agents could have helped make oil and gas deposits and could have concentrated rare metals like gold, silver and platinum in the Earth's crust.

It could also represent an untapped pool of genetic diversity for the biotechnology revolution. Already, companies are racing to isolate, clone and sell the extremely heat-stable enzymes of known hyperthermophiles for use in genetic engineering.

But some scientists call for caution and further study. Dr. Holger W. Jannasch, a microbiologist at the Woods Hole Oceanographic Institution on Cape Cod, Massachusetts, said he was skeptical of the deep-biosphere thesis.

"I'm an experimentalist," he said. "We do not yet have enough solid observations to say this is so." He said widespread life at lower depths would require greater heat-withstanding abilities than seen so far.

Feeling Sad? Hints for Dealing With Winter Blahs

By Jane E. Brody  
New York Times Service

NEW YORK — "Winter is icumen in, blude sing Goddamm..." Ezra Pound's lament about more than a mere annoyance with cold, ice and excess clothing for millions of people who suffer from SAD, the psychiatric syndrome with the all-too-apt acronym that stands for seasonal affective disorder.

For them, the dark days of winter spell months of emotional gloom and doom of ten accompanied by lethargy and an uncontrollable craving for carbohydrates, resulting in weight gain that makes them feel even worse.

For those with SAD, there is both good news and bad news.

The good news is that the winter solstice has now come and gone, and with each passing day come more minutes of daylight. The bad news is that January and February are the worst months for people with SAD; although the days are gradually getting longer, these are especially cloudy months.

But tempering that inescapable fact is more good news. Through studies of many hundreds of people with SAD, researchers are slowly coming to understand why some people who live in temperate and polar zones sink to such emotional lows during winter's truncated days.

Through this understanding and through well-designed clinical trials, enhanced by the application of common sense, have come effective and efficient new therapies, an array including medications, diet and exercise strategies and, most valuable of all, a much-simplified approach to light therapy.

Winter blues, says one of the world's leading experts, Dr. Norman E. Rosenthal, who is himself a sufferer, can now be overcome without having to spend hours each day sitting in front of special lights and without having to migrate to the tropics between September and April.

Dr. Rosenthal, the director of light therapy studies at the National Institute of Mental Health, is the author of a comprehensive new book on SAD, "Winter Blues: Seasonal Affective Disorder, What It Is and How to Overcome It."

Indeed, one research team has found that creating an artificial early dawn while SAD sufferers sleep may eliminate the need for special light therapy during the day.

Dr. Michael Terman, who runs the winter depression program at the New York State Psychiatric Institute at Columbia University Medical Center, and Dr. Jitran Terman have devised a bedside dawn simulator that is scheduled to be marketed soon.

Without awakening the sleeper, the computerized gadget emits low-intensity light that penetrates closed eyelids and seems to persuade the brain to shed the winter doldrums and pretend that it is spring.

In a recent article in the Journal of the American Medical Association, Dr. Rosenthal summarized the findings about SAD, a syndrome that first came to light, so to speak, only a decade ago and was recognized as a distinct disorder by the American Psychiatric Association only five years ago.

THE incidence of seasonal mood disorder rises, as you might expect, with increasing latitude, ranging from 1.4 percent among the residents of Florida to as many as 9.7 percent among those who live in New Hampshire. Long before their problem had a name and a treatment, many people with SAD had discovered that going south in the winter made them feel much better.

People with SAD describe themselves as suffering from an energy crisis. They feel lethargic and lethargic and have difficulty getting themselves to do things, especially tasks out of the ordinary. Many have trouble waking up in the morning and are drowsy during the day despite a long night's sleep.

The sleep of a SAD patient, studies have shown, is long but not restful, marked by frequent disruptions and a decrease in so-called slow-wave sleep.

SAD patients typically report that their sex drive dwindles and their appetite, particularly for starchy and sugary foods, gets out of control. The resulting weight gain intensifies their depressed mood.

In most studies, women with SAD have outnumbered men by 3 to 1. Dr. Rosenthal and others say there is an interaction between the female sex hormones and a propensity for seasonal mood disorder. Indeed, women with SAD also have a high rate of premenstrual tension syndrome.

There are also lesser degrees of SAD. People with a subclinical syndrome may notice a seasonal blunting of normal levels of energy and enthusiasm that, like the full-blown syndrome, responds to light therapy.

While SAD does not usually show up until adolescence, some children show symptoms of it. They may feel tired, cranky and short-tempered; have difficulty concentrating or doing schoolwork; get lower grades; be reluctant to do chores; experience vague physical symptoms, like headaches and abdominal pain, or have marked cravings for junk food. Any child who is fine most of the year but becomes increasingly difficult as winter approaches deserves a workup to check for SAD.

When the syndrome was first described by Dr. Rosenthal and Dr. Alfred J. Lewy, now at the Oregon Health Sciences University in Portland, the treatment they devised, consisted of sitting for hours each morning in front of a light box that mimicked the spectrum of sunlight.

The therapy was hard for patients to fit into their lives and exposed them to undue amounts of ultraviolet light, which can cause skin cancer and cataracts.

Since then, light therapy has been gradually refined and simplified. Many patients get good results from basking for only half an hour each day in front of a high-intensity light box, which is four times as bright as the one originally used but does not have the harmful ultraviolet rays.

According to Dr. Terman of Columbia Presbyterian Medical Center, recent studies have shown that the light should be intense to be effective, but that a full spectrum of light is not necessary. Now the therapy may use ordinary fluorescent light bulbs with an intensity of 10,000 lux, about 10 to 20 times as bright as ordinary indoor light.

Dr. Rosenthal sets up his light box in front of his indoor skiing machine, giving himself the benefit of two antidepressants at once: light and exercise. Regular physical activity, aside from enhancing physical health, is well known for its ability to instill energy and enthusiasm and is now commonly prescribed for people with depression, seasonal and otherwise.

IN BRIEF

U.S. Observatory Upgrading Its Telescope

NEW YORK (NYT) — With financial assistance from Mexico and technical help from a leading Australian astronomer, scientists at the National Radio Astronomy Observatory's Very Large Array radio telescope in New Mexico hope to soon begin making images of new planetary systems in formation.

To make this possible, a major upgrade of the observatory's VLA radio telescope array at Socorro, New Mexico, has received a \$1 million grant from the Mexican government, said David Fialy, a spokesman for the observatory. The observatory is financed by the National Science Foundation, an agency of the federal government, and the Mexican contribution is a landmark in foreign support of science in the United States.

The project, already in progress, will add very-high-frequency receivers to 10 of the observatory's limited dish antennas. The 28-antenna array has been in operation since 1980, but it has never been capable of observing celestial objects at radio frequencies higher than 23 billion hertz (cycles per second).

Genetic Pattern Found in Cocaine Addicts

AUSTIN, Texas (AP) — Two researchers who discovered the first gene pattern common to severe alcoholics say they have found a common genetic pattern in cocaine addicts.

Their study lends further credence to the belief that drug abuse is more a matter of heredity than of values, the researchers. Dr. Kenneth Blum and Dr. Ernest Noble, said, Dr. Blum is a professor of pharmacology at the University of Texas Health Science Center in San Antonio. Dr. Noble is a professor of alcohol studies at UCLA. The two discovered the gene pattern common to alcoholics in 1990.

Their latest study, published in the journal Drug and Alcohol Dependence, found the gene pattern in 50.9 percent of 53 Los Angeles cocaine addicts but in only 16 percent of 100 non-addicted control subjects.

BOOKS

DECIDER

By Dick Francis. 318 pages. \$22.95. G.P. Putnam's Sons.

SACRED CLOWNS

By Tony Hillerman. 305 pages. \$23. HarperCollins.

THE MEXICAN TREE DUCK

By James Crumley. 247 pages. \$19.95. Mysterious Press / Warner Books.

WHAT THEY'RE READING

By Ariel Dorfman. The Chilean writer, has just finished Ruth Behar's "Translated Woman: Crossing the Border with Esperanza's Story."

"The riveting story of a Mexican woman, Esperanza and her rage, is paralleled by anthropologist Ruth Behar's own search for identity as a Jewish-Cuban-American. I found this to be a fascinating window on some of the major issues facing us in the world today."

(Michael Balter, IHT)

Reviewed by Christopher Lehmann-Haupt

RACETRACKS, the Navajo reservation, Vietnam: these are the subjects with which Dick Francis, Tony Hillerman and James Crumley respectively have come to be identified, and in their latest suspense novels they perform more than reliably.

At the start of Francis' "Decider," Les Morris, an Oxford architect and builder, is asked to help save a racetrack in nearby Swindon from destruction by the wealthy but violently feuding relatives who have inherited it.

Knowing he should stay clear, he nevertheless piles five of his six sons, ages 7 to 14, into the family van and drives them out for a look at the track. Before he knows it, he and one of the boys are nearly killed by an explosion that destroys the grandstand. Which crazed family member could have done such a thing?

As always, his humans are immediately likable or detestable, as his strong plotting directs them. And as always, Francis extends his curiosity to a new interest, here the art of restoring old buildings attractively.

The deeper question posed by the novel is why people take the crazier chances they do, even to the point of endangering their children.

The sacred clowns to which the title of Tony Hillerman's new crime novel refers are the so-called foot-shore who perform in a Tanoson religious ceremony and serve to remind the audience how far short of God's ideal humanity has fallen.

As Jim Chee, Hillerman's Navajo policeman, explains: "I used to know a Hopi man who was a koshare at Moenkopi. He would say to me: 'Compared to what our Creator wanted us to be, all men are clowns. And that's what we koshare do. And that's funny to remind people. To make the people laugh at themselves. We are the sacred clowns.'"

One of these koshare is murdered during a religious ceremony, with Jim Chee and some of his friends looking on. Almost simultaneously, a shop teacher at a reservation school is killed, a gay man who devoted himself to helping people and trying to make them laugh. Is there a link between these two deaths of "valuable men?"

Chee does the required gumshoe work and ratiocination, in uneasy alliance with his superior, Lieutenant Joe Leaphorn. But what is captivating about the story is less the thrill of the chase than the clarity of the scenes, the reflectiveness of the characters and, most of all, the way Jim Chee succeeds in resolving a conflict between Navajo values and those of the surrounding society without battering the reader with invidious cultural comparisons.

Where Francis and Hillerman predicate orderly, rational societies in their stories, James Crumley in "The Mexican Tree Duck" descends into a violently chaotic world that can be seen as a legacy of Vietnam, of which his characters are nightmare-haunted veterans. Here, drugs are for breakfast, sex is anytime and panic begins at what the author calls dark-thirty.

In an early passage, one character is described as having bitten off a state trooper's nose and, to add grievous insult to massive injury, chewed it up and swallowed it.

The Mexican tree duck of the title is purportedly a pre-Columbian ceramic once used to purify human blood during ritual sacrifice, although to Crumley's private investigator C. W. Sughrue who previously appeared in "The Last Good Kiss," the ceramic looks like "a gooey bird I used to see in my childhood."

You therefore don't ask of Crumley's tale whodunit. You ask what is happening and why. In a small Montana town, a monstrously unkempt biker gang leader, known as Abnormal Norman Hazelbrook hires his old friend, the private eye Sughrue — "Shoog" as in sugar, honey... — and "rue" as in rue the goddamned day — to track down his missing mother.

She, Hazelbrook insists, is Sarita Cisneros Pines, the infinitely wealthy wife of a major-league drug dealer. She has presumably been kidnapped, for reasons nobody can figure out, least of all the word-punched reader.

To find her, Sughrue gathers up his gang of Vietnam vets and sets off on a cross-country quest that involves more bloody confrontations than an arcade video game.

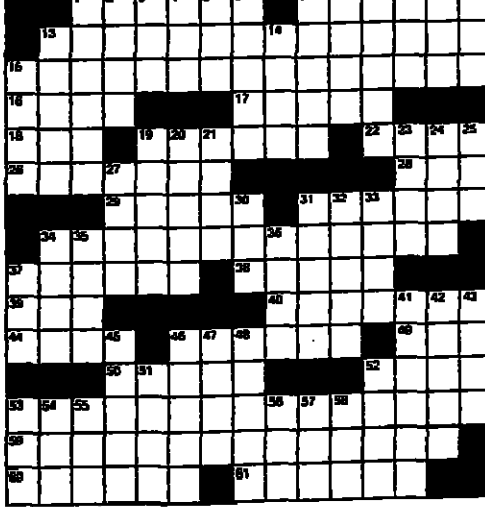
By the end, so much treachery has occurred that you can't tell who's doing what to whom. But the Day-Clio characters and bopped-up language are what matter, so you are best off relaxing into C.W. Sughrue's philosophy: "We laughed. Life is a joke. You just have to hope it's funny. Instead of bad."

Christopher Lehmann-Haupt is on the staff of The New York Times.

CROSSWORD

- ACROSS
1 Ace depository
7 Peter Lorre typecast
13 In no hurry to buy
16 Inexpensive
18 Table spread
17 Humiliate
19 Twice-told
20 Fairy tale kid
22 Hoodwink
23 Mosaic piece
24 — per-view
28 University of Maine town
31 Jazz star, with 35-Down
34 Dating for dollars?
37 Slums Mother
38 Heavy bundles
39 Einstein's birthplace
40 Inny 500
41 On or moon
44 Humdrum
45 Vodka cocktail
48 Coach Holtz of Notre Dame
29 "All systems
32 Survey
33 Spying on who's buying?
36 Alternatives to malls
39 "Marriage is
40 Einstein's Carnivores
41 Saint-Tropaz is one
DOWN
1 Makes confetti
2 Company trademark
3 Clean water agency
4 Prefix with -glottis or gram
5 Pinot
6 Chardonnay
7 Downstairs: Fr.
8 For beginners
9 Armored god
10 Like many toolbars
11 (Kahn-Jones hit)
12 Scheduled
13 Reception site
14 N.Y. summer time
15 Chamber
16 Kotler of 70's TV
17 Start, as a computer
18 Start of a toast
20 Spray, perhaps
21 Grandma
22 Knowing about
23 Bit of distress
25 Goggle
27 Fish entrée
28 Star, or moon
30 Star riot
31 Near riot
32 "This is only
33 Not discouraged
34 — off (scold)
35 Anecdotal
36 See 31-Across
37 Butler container
38 Writer at Orchard House
42 Gullfaws
43 — out
45 "I — Be You" (Kahn-Jones hit)
46 Romance or sci-fi, e.g.
47 Pop music's — Pop

© New York Times Edited by Will Shortz.



- 48 Drive
49 Bravo and Grand
51 Ending with sun or speed
52 Art deg.
53 Woolen
54 Golsnar
55 — no (reply technique)
56 Color
57 U.F.O.
58 — no (reply technique)
59 Sgt., for one.

BRIDGE

By Alan Truscott

THE Fall Nationals of the American Contract Bridge League ended in Seattle, on Nov. 28 with the conclusion of the prestigious Reisinger Board-a-Match Team Championship. Leading into the two final sessions were four experienced professionals, Brian Glubok of Manhattan, Chris Compton of Oklahoma City, Gaylor Kaske of Boca Raton, Florida, and Roger Bates of Mesa, Arizona.

Earlier in the Reisinger, the diagramed deal gave rise to plenty of competitive bidding. At one table East-West competed to six clubs, which could have been doubled and defeated by three tricks. But South persevered to six spades and was doubled.

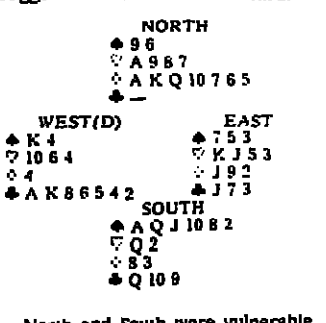
West was Al Rand of Manhattan, whose wife is leading in the

North American Swiss Teams, and he felt sure that somebody held a void club. He tried the effect of a singleton diamond lead, and South won in dummy. The spade nine was led for a finesse, and West ducked smoothly. South had no reason to suspect what was happening, and repeated the finesse. West happily took his king and cashed two club winners for down two.

West was running a very slight risk, with his spade duck: if South had divined the truth he could have made all 13 tricks. Taking the spade king at once would have worked just as well, for a shift to clubs would force dummy's remaining trump and the defense would take two more tricks: however, South continued.

This defense would have failed if South had held the heart king, but

East's double of six spades strong suggested that he held that card.



The bidding:
North: ♠ 96, ♥ A 9 8 7, ♦ A K Q 10 7 6 5, ♣ A K 8 6 5 4 2
South: ♠ 7 5 3, ♥ K J 3, ♦ Q J 10 8 2, ♣ Q 10 9

North and South were vulnerable.
West led the diamond four.



# NYSE

## Wednesday's Closing

Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere. Via The Associated Press

12 Month High Low Stock Dr. Yld PE Hqs. High Low Last Chg

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100	90	IBM		4.5	15	100	100	95	95	+
120	110	Microsoft		12	12	120	120	115	115	+
150	140	Apple		8	15	150	150	145	145	+
200	190	Oracle		10	15	200	200	195	195	+
250	240	Amazon		15	15	250	250	245	245	+
300	290	Yahoo		12	15	300	300	295	295	+
350	340	Comcast		10	15	350	350	345	345	+
400	390	Verizon		8	15	400	400	395	395	+
450	440	AT&T		6	15	450	450	445	445	+
500	490	WorldCom		5	15	500	500	495	495	+
550	540	Sprint		4	15	550	550	545	545	+
600	590	Time Warner		3	15	600	600	595	595	+
650	640	Home Depot		2	15	650	650	645	645	+
700	690	Wal-Mart		1	15	700	700	695	695	+
750	740	Target		1	15	750	750	745	745	+
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950	940	Home Depot		1	15	950	950	945	945	+
1000	990	Wal-Mart		1	15	1000	1000	995	995	+

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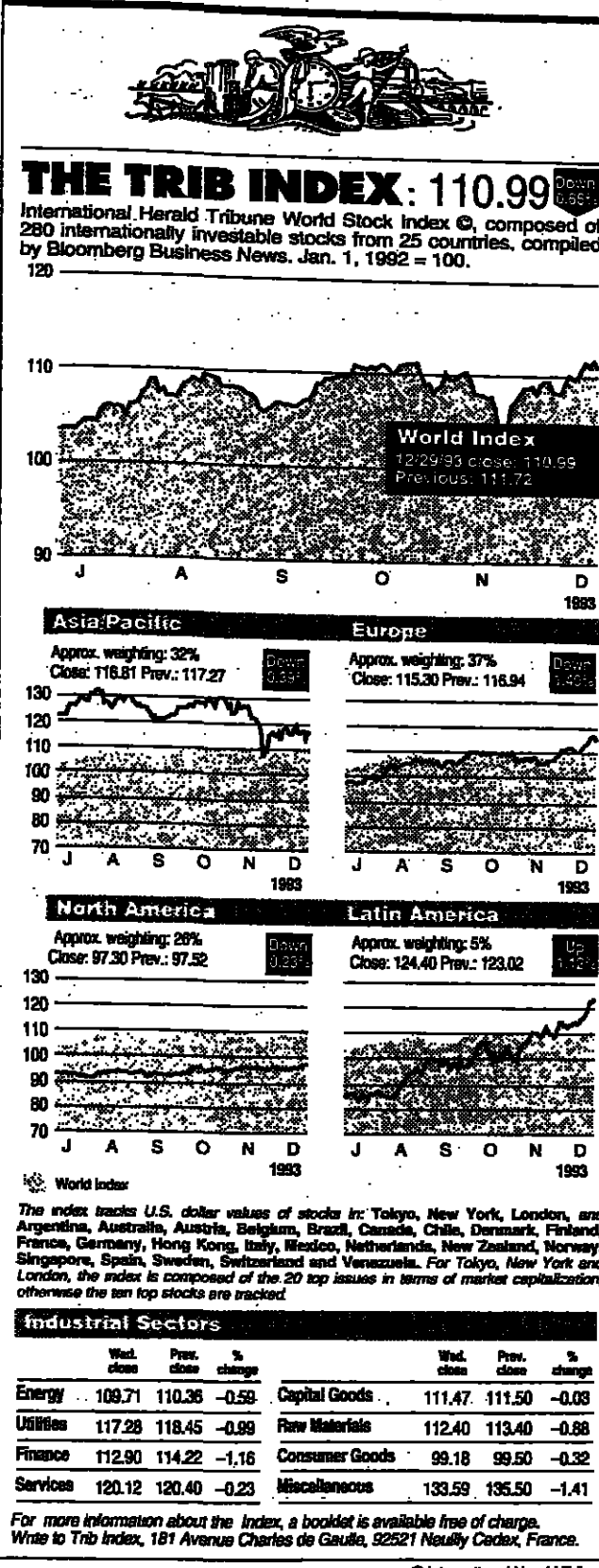
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INTER Ten

سكدا من الاصل





### London And Paris At Highs But Stocks Slip In Frankfurt

**LONDON** — The London stock market shot to a record closing high on Wednesday after a long Christmas break, but a flat day on Wall Street took some of the steam out of the rally in late trading.

The Financial Times-Stock Exchange index of 100 leading shares jumped 49.7 points, or 1.46 percent, to a record close of 3,462.0.

The Paris Bourse is likely to gain in 1994 if interest rates continue to fall, analysts said, Page 11.

But it ended 12 points below its high for the day.

French shares also ended at record levels for the second time this week. In Paris, the CAC-40 share index rose 17.25, to 2,819.89.

The market was boosted by a poll of French business executives that indicated industrial activity had slipped in December. This, dealers said, apparently underscored hopes of rapid interest rate cuts by the Bank of France. The market was underpinned by the franc's firmness on currency markets.

The German stock market continued to fall from its record high, reached on Monday. Traders and analysts doubted a rally in January would materialize. The 30-share DAX index in Frankfurt fell 28.12, to 2,214.70.

### Pressing Problem Solved Japan and U.S. to Make No-Iron Shirts

**TOKYO** — It may not be one of the world's pressing problems, but Japanese and American companies seem on the verge of a technological breakthrough: cotton shirts that require little or no ironing.

Without so much as a collar touch-up, the shirts are "O.K. to wear even for a formal occasion," said Shizuo Watanabe, an executive at a Japanese company with a popular no-iron process.

To make his point, he abruptly stood up, stripped off his jacket and pulled his shirt out of his pants. There, on the shirttail, his wife had been wadded without ironing.

In Tokyo, Choya Corp., a Japanese clothing maker, earlier this month began selling 100 percent cotton dress shirts that need almost no ironing. And many leading American shirt brands, including Arrow and Van Heusen, are expected to be available in low-wrinkle cotton in the United States by June.

"It may be the ultimate product," said Mr. Watanabe, who is a manager at Nishimbo Industries, the textile company that developed the process used to make Choya's shirts.

The process is also used in shirts made of a 50-50 cotton-polyester blend that have been best sellers in Japan since their introduction in August. The shirts are said to be softer than their permanent-press forebears and require no ironing even after repeated laundering.

The all-cotton version is nearly as wrinkle resistant, he said, although a woman in Tokyo who recently bought one said she was disappointed. "It didn't look anything like the store display," she said. "It needed ironing — though not as much as a regular cotton shirt." She also said the fabric was thicker than what her husband preferred. "The miracle is not so easy," she said.

Cotton breathes. It is soft. It absorbs perspiration. And it has the added cachet of being a natural fiber. But high prices and its tendency to shrink and wrinkle have limited it to a small share of the dress shirt market — less than 20 percent in the United States, by industry estimates.

That is why a nonshrinking, durable-press all-cotton shirt has been the Holy Grail of garment manufacturers on both sides of the Pacific, who are hailing the shirts as the best new wrinkle in menswear since the advent of permanent-press shirts nearly three decades ago.

The first permanent-press shirts were a blend of about two parts polyester to one part cotton, and the fibers were coated with formaldehyde-impregnated resins to keep their shape.

But these shirts were far from perfect. One problem was that the treatment used to make fabrics wrinkle free also weakened the material, making it easier to tear. That is why polyester was used — to reinforce the fibers.

The shirts also tended to stiffen after repeated washings and to pucker at places like the collar and cuffs. And they usually ended up needing ironing.

But more recently, improvements in the manufacturing process, and the development of genetically superior cotton plants, have solved many of these problems.

"We have a better base today," said Wolfgang Strahl, senior vice president of textile research at

### Madrid Cites Banesto's Loans And Net Worth

**MADRID** — The Bank of Spain had to take control of Banco Español de Crédito because its net worth was insufficient, its loan risks over regulated limits and its earnings power impaired, the government spokesman said Wednesday.

The comments by the spokesman, Alfredo Pérez Rubalcaba, appeared to jibe with reports in the Spanish press the morning after Tuesday's takeover, saying Banesto's balance sheet had a "hole" of between 370 billion and 450 billion pesetas (\$2.6 billion and \$3.2 billion).

A bank's balance sheet should show an equilibrium between assets, such as outstanding loans, and liabilities, such as deposits. If liabilities exceed assets, shareholders' equity, or net worth, can vanish.

Mr. Rubalcaba said the Bank of Spain's intervention had been inevitable, given the accumulation of a series of problems such as insufficiency of shareholder funds, concentration of risky loans over regulated limits and the weakness of the bank's profit and loss account, which revealed an insufficient capacity to generate earnings from normal operations.

The daily El País said the Bank of Spain estimated the balance sheet gap to stand at 450 billion pesetas while Banesto itself sets the figure at around 370 billion.

"So far, all we know is that there is this hole in Banesto of 370 billion pesetas," said Juan San Román, vice president for research at Goldman, Sachs & Co. in London. "It's still not clear whether these are existing bad loans, or additional, undeclared bad loans. If they are undeclared bad loans, the problem is much more serious."

Banesto has already set aside most of its profit for the first nine months of this year for provisions against doubtful loans.

According to the banking association, the Consejo Superior Bancario, at the end of October the Banesto parent bank had assets of 5,428 trillion pesetas, client deposits of 3,188 trillion and shareholders' equity of 359.92 billion, which could now be wiped out.

Banesto is Spain's third-largest bank by deposits and fourth-largest by assets.

The bank's new managers, led by Banco Bilbao Vizcaya's deputy chairman, Alfredo Saez, met at Banesto on Wednesday to start the complex task of recapitalizing the bank. This will be carried out by the Bank of Spain and major Spanish banks, all of which are represented on the new board.

Banesto sources said members of the former board, including the deposed chairman, Mario Conde, were present.

Market sources said it was unclear whether Banesto will remain as a separate unit or be absorbed into another bank such as Banco Santander or state-owned Argentaria. They did not rule out the possibility of the bank being split into two or three parts.

The Bank of Spain said Tuesday that it was seeking to protect depositors and safeguard the international credibility of the nation's banking system. The central bank said it would ensure liquidity for Banesto at home and abroad and would make funds available from the Deposit Guarantee Fund.

Banesto said Wednesday that its branches in downtown Madrid were busy, but that there was "no substantial" withdrawal of funds.

But one man standing in line at the bank's headquarters said he had already been to seven branches in an attempt to withdraw savings of 600,000 pesetas and had been told they did not have enough money.

A woman interviewed on Spanish radio said she was one of many making withdrawals. "I'm here to take out all my money."

The implications of the Banesto crisis are wide because of the bank's far-flung investments.

It owns more than 90 percent of La Corporación Banesto, an industrial holding company with interests in construction, real estate, media and sports. Analysts said many of these assets will have to be sold to restore financial health.

The Banesto crisis pushed Ma-

London traders said their rally was more due to a reluctance to go into the New Year holiday short of stock than to frenetic buying.

Volume was half recent levels. Shares have boomed recently on hopes of falling interest rates and rising company profits next year.

The London stock market's rally was bolstered by an upbeat report from the Institute of Directors, which said prospects for British business next year looked "extremely encouraging."

Retailing shares jumped in reaction to a batch of reports of hectic post-Christmas trading.

(Reuters, Knight-Ridder)

### IRS Raises Tax-Cheating Sum

**WASHINGTON** — Americans cheat the government out of about \$150 billion a year in taxes — enough to cover the deficit of the federal budget — according to the Internal Revenue Service.

This is far more than it had estimated as recently as last month.

In an appearance before Congress in November, Margaret M. Richardson, the IRS commission-er, put the "tax gap" at about \$119 billion.

But now that the agency has widened its net beyond income taxes — mainly adding payroll levies and excise levies on items like gasoline, guns and luxury cars — it has come up with the higher figure.

It expects to publish a formal report on these other aspects of evasion by mid-1994.

The \$150 billion gap figure was disclosed Tuesday by Ms. Richardson at a briefing to begin the new tax-filing season.

The scrutiny of the broader range of taxes is part of increased enforcement efforts. This month, the agency announced a plan under which it would consolidate customer-service and returns processing, transferring many people now in clerical jobs to front-line compliance jobs.

A major goal is to raise what the IRS calls its voluntary compliance rate, now 82 percent, to 90 percent by the end of the century.

The IRS also has begun taking a more realistic view of its receivables — the money that taxpayers acknowledge they owe or the taxes that the government levies on taxpayers or other recalcitrants but that remains unpaid.

### INTERNATIONAL MANAGER Temporary but Healthy

**By Susan Diessenhouse**  
New York Times Service

**AMBRIDGE, Massachusetts** — In a nation where the number of people without health insurance is growing, the temporary-help industry is often singled out as a villain. The temporary work force is growing 10 times as fast as the permanent one, and few of the 4,500 companies in this \$25 billion business offer comprehensive benefits.

John H. Chung thinks that is wrong, and is trying to change things. The 28-year-old entrepreneur from Queens, New York, started a temporary-help company that supplied people skilled in using Macintosh computers for various jobs.

The six-year-old company, MacTemps, is so tight on costs that it won't pay for a new pen unless the staffer can prove the old one is empty, not lost. But it also provides its long-term temporary workers with a benefits package that would be the envy of many permanent workers: medical, dental and long-term disability insurance, a retirement savings plan, and vacation and holiday pay.

The nearly 40 million Americans who don't have health insurance "is a social problem that our industry is part of," said Mr. Chung, a Harvard MBA who is the son of immigrants from Taiwan. "As a business, it's our job to solve social problems, not white out them."

When Mr. Chung said this to a conference of the mostly male leaders of this industry — an industry that employs about 1.5 million "temps" a day, most of them women — "he was a breath of fresh air," said Peter Yessne, publisher of the newsletter Staffing Industry Report.

If Mr. Chung were merely an idealist, not a businessman, he wouldn't be taken so seriously. But in fact his privately held company, which is run by four executives all under 30, will do about

### Hong Kong To Relax TV Curbs

**HONG KONG** — Hoping to turn Hong Kong into a regional broadcasting hub, the government will propose easing some restrictions on foreign ownership of television stations, Secretary for Recreation and Culture James So said Wednesday.

"What we will do basically is to encourage more people to come to Hong Kong to set up television, either through cable or satellite or other forms, through the relaxation of the rule," Mr. So said.

Foreign ownership is currently restricted to 49 percent of non-franchised television stations.

Mr. So said, however, that the government would proceed with legislation limiting cross-media ownership. He said a media bill, which will be sent to the Legislative Council in the spring, would include restrictions on cross-media ownership.

Mr. So said a newspaper owner would be allowed to hold from 10 to 20 percent of a radio or TV station and vice versa.

The relaxation would not cover Hong Kong's conventional TV stations, Television Broadcasts Ltd. and Asia Television Ltd.

There would be no limit on the number of satellite stations in Hong Kong, but they would have to consult China if they wanted a license extending beyond the colony's 1997 return to China.

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AUSTRIA	002-403-434	MOROCCO	06-0087
BANGLADESH	1-800-388-2111	NETHERLANDS	06-022-819
BARBADOS	1-800-877-8000	NETHERLANDS ANTILLES	001-800-7451111
BEARIN	078-11-0084	NEW ZEALAND	06-58
BELIZE (HOTEL)	556	NICARAGUA (MANAGUA)	86
BELIZE (PTV PHONES)	556	NORWAY	000-32-877
BHARATA	1-800-823-1877	PANAMA	77
BOLIVIA	000-2323	PARAGUAY	009-12-800
BRAZIL	000-9196	PERU	14
BRITISH VIRGIN ISLANDS	1-800-877-8000	PORTUGAL	000-40-815
CANADA	1-800-877-8000	PUERTO RICO	1-800-877-8000
CHILE	00-4037	REPUBLIC OF SAUDI ARABIA	100-15
CHINA (BEIJING)	008-15-8870	SENEGAL	000-90-8000
CHINA (HONG KONG)	008-15-0110	SINGAPORE	006-99-000
COLOMBIA	000-2323	SPAIN	000-99-000
COSTA RICA	000-011	SWEDEN	000-700-877
CYPRUS	000-900-01	SWITZERLAND	05-8777
CZECH REPUBLIC	0042-007-107	TAIWAN	008-11-0000
DEMOCRATIC REPUBLIC OF CONGO	1-800-752-7677	THAILAND	000-01-477
DOMINICAN REPUBLIC	001-800-877-8000	TURKEY	000-00-4477
EQUADOR	01	UNITED ARAB EMIRATES	000-800-877
EL SALVADOR	000-12-877	UNITED STATES (HOTEL)	000-800-877
FRANCE	000-1-8284	UNITED STATES (PTV)	000-800-877
GERMANY	191-8877	UNITED KINGDOM (BT)	000-800-877
GRECE	0020-0103	UNITED KINGDOM (GTE)	000-800-877
HONG KONG	008-15-0110	UNITED STATES (LOCAL)	000-800-877
HUNGARY	001-800-123000	UNITED STATES (TOLL)	000-800-877
INDONESIA	001-800-877-8000	UNITED STATES (TOLL)	000-800-877
IRELAND	1-800-55-2001	UNITED STATES (TOLL)	000-800-877
ISRAEL	0097-012	UNITED STATES (TOLL)	000-800-877
ITALY	001-12	UNITED STATES (TOLL)	000-800-877
JAPAN	001-800-777	UNITED STATES (TOLL)	000-800-877
JERSEY	05-7777	UNITED STATES (TOLL)	000-800-877
KENYA	001-800-877-8000	UNITED STATES (TOLL)	000-800-877
KOREA	001-800-877-8000	UNITED STATES (TOLL)	000-800-877
LIBERIA	001-800-877-8000	UNITED STATES (TOLL)	000-800-877
LITHUANIA	001-800-877-8000	UNITED STATES (TOLL)	000-800-877

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### CURRENCY & INTEREST RATES

Dec. 29

Currency	Rate	Currency	Rate
Australian dollar	1.32	Swiss franc	1.48
Canadian dollar	0.71	Swedish krona	8.45
Deutsche mark	1.36	Swiss franc	1.48
French franc	6.55	Swiss franc	1.48
Japanese yen	148.00	Swiss franc	1.48
British pound	1.54	Swiss franc	1.48
Italian lira	2036.00	Swiss franc	1.48
Spanish peseta	166.37	Swiss franc	1.48
Portuguese escudo	200.48	Swiss franc	1.48
Belgian franc	36.36	Swiss franc	1.48
Dutch guilder	3.76	Swiss franc	1.48
West German mark	1.36	Swiss franc	1.48
East German mark	1.36	Swiss franc	1.48
Polish zloty	4.00	Swiss franc	1.48
Czech koruna	166.64	Swiss franc	1.48
Slovak koruna	166.64	Swiss franc	1.48
Hungarian forint	200.48	Swiss franc	1.48
Czechoslovak koruna	166.64	Swiss franc	1.48
Yugoslav dinar	13.63	Swiss franc	1.48
Romanian leu	166.64	Swiss franc	1.48
Soviet ruble	166.64	Swiss franc	1.48
U.S. dollar	1.00	Swiss franc	1.48

**Key Money Rates**

Country	Rate
U.S. Treasury bill	3.25
U.S. Treasury note	4.12
U.S. Treasury bond	5.11
U.S. Treasury bill	3.25
U.S. Treasury note	4.12
U.S. Treasury bond	5.11

**Gold**

Location	Price
London	365.60
New York	365.50
U.S. dollars per ounce	365.50



MARKET DIARY

Stocks Inch Ahead To Record Close

Compiled by Our Staff From Dispatches

NEW YORK — Stock prices inched up to a record high on Wednesday in active trading marked by computer-guided sell programs and profit-taking.

The Dow Jones industrial average, which rose 0.84 point, to a high

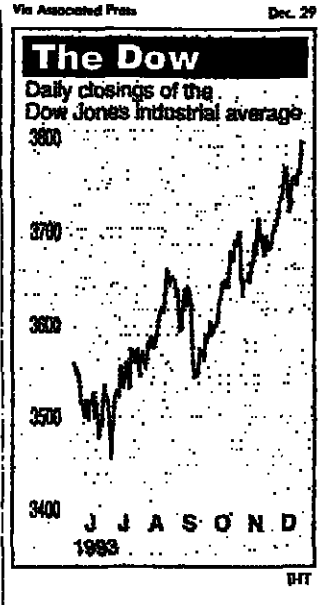
of 3,793.77 Tuesday, advanced 0.56 point to 3,794.33 on Wednesday. Advances topped declines by a narrow margin. Losses in three Dow components — Exxon, Chevron and United Technologies — weighed on the key barometer.

The bellwether 30-year Treasury bond, which slid to 32 Tuesday to yield 6.34 percent, was down 5/32 to 100. The issue's yield, which moves in the opposite direction of its price, rose to 6.25 percent.

Hildegard Zagorski, vice president for national sales at Prudential Securities Inc., said the market was still being burdened by "some profit taking, but in general it has a good tone to it."

A series of positive economic reports released before the market opened Wednesday did not seem to affect the market, which was lower for much of the day, she said. But a late surge propelled the Dow into positive territory, propelling the key indicator to a record high for the third day in a row.

As of 3 P.M., S&P Corp. paced



Daily closings of the Dow Jones industrial average (380)

Table with columns: Vol., High, Low, Last, Chg. for NYSE Most Active stocks like S&P 500, American Express, etc.

Table with columns: Vol., High, Low, Last, Chg. for NYSE Most Active stocks like IBM, Microsoft, etc.

Table with columns: Vol., High, Low, Last, Chg. for NYSE Most Active stocks like Intel, Oracle, etc.

Table with columns: Vol., High, Low, Last, Chg. for NYSE Most Active stocks like Sun, Netscape, etc.

Table with columns: Vol., High, Low, Last, Chg. for NYSE Most Active stocks like Amazon, eBay, etc.

Table with columns: Vol., High, Low, Last, Chg. for NYSE Most Active stocks like Yahoo, etc.

Table: Dow Jones Averages. Columns: Index, High, Low, Close, Chg. Includes Industrial, Transport, Composite.

Table: Standard & Poor's Indexes. Columns: Index, High, Low, Close, Chg. Includes Industrial, Transport, Composite.

Table: NYSE Indexes. Columns: Index, High, Low, Close, Chg. Includes Composite, Industrial, Transport, Finance.

Table: NASDAQ Indexes. Columns: Index, High, Low, Close, Chg. Includes Composite, Industrial, Transport, Finance.

Table: AMEX Stock Index. Columns: Index, High, Low, Close, Chg. Includes Composite, Industrial, Transport, Finance.

Table: Dow Jones Bond Averages. Columns: Index, High, Low, Close, Chg. Includes 20 Bonds, 10 Industrials.

Table: Market Sales. Columns: Index, High, Low, Close, Chg. Includes NYSE, AMEX, NASDAQ.

Table: NYSE Odd-Lot Trading. Columns: Index, High, Low, Close, Chg. Includes NYSE.

Table: S&P 100 Index Options. Columns: Index, High, Low, Close, Chg. Includes S&P 100.

Table: EUROPEAN FUTURES. Columns: Index, High, Low, Close, Chg. Includes Food, Metals.

Table: Food. Columns: Index, High, Low, Close, Chg. Includes Cocoa, Coffee, Sugar.

Table: Metals. Columns: Index, High, Low, Close, Chg. Includes Aluminum, Copper, Lead, Zinc.

Table: Stock Indexes. Columns: Index, High, Low, Close, Chg. Includes NYSE, AMEX, NASDAQ.

Table: Spot Commodities. Columns: Index, High, Low, Close, Chg. Includes Wheat, Corn, Soybeans.

Table: Dividends. Columns: Index, High, Low, Close, Chg. Includes NYSE, AMEX, NASDAQ.

Table: U.S. FUTURES. Columns: Index, High, Low, Close, Chg. Includes Grains, Metals, Livestock.

Table: Grains. Columns: Index, High, Low, Close, Chg. Includes Wheat, Corn, Soybeans.

Table: Metals. Columns: Index, High, Low, Close, Chg. Includes Aluminum, Copper, Lead, Zinc.

Table: Livestock. Columns: Index, High, Low, Close, Chg. Includes Cattle, Hogs, Poultry.

Table: Financial. Columns: Index, High, Low, Close, Chg. Includes Treasury, Bonds, Futures.

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Table: Commodity Indexes. Columns: Index, High, Low, Close, Chg. Includes Energy, Metals, Grains.

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2 Canadian Railroads Plan Merger
TORONTO (Combined Dispatches) — Canada's two national railroad companies said Wednesday that they would seek approval from the federal government to merge all their operations between Winnipeg, Manitoba, and Halifax, Nova Scotia.

CSX to Buy 300 GE Locomotives
NEW YORK (Combined Dispatches) — CSX Transportation Inc. will purchase 300 locomotives from GE Transportation Systems over the next four years, the companies announced Wednesday.

Fruit of the Loom to Cut Inventory
NEW YORK — (Combined Dispatches) — Fruit of the Loom Inc. officials said Wednesday that the company plans to cut inventory levels by moving its manufacturing operations to a four-day workweek in the United States during the first quarter and perhaps beyond.

U.S. Court Ruling Boosts Intel Corp.
SAN FRANCISCO (Reuters) — Intel Corp. has received a boost in its copyright case against the rival chip maker Advanced Micro Devices Inc. from an appeals court ruling that allows a speedier resolution to a series of lawsuits, analysts said.

For the Record
CompUSA Inc., the largest U.S. computer superstore retailer, said net sales in the second quarter of financial 1994, ended Dec. 25, rose 65 percent to \$537 million, from the similar period last year.

Wang Laboratories Inc., newly emerged from bankruptcy, said Wednesday that it expected to report a \$20 million profit in the fiscal year that ends June 30.

RECOVERY: Good '94 in Store

Continued from Page 1
Chip Economic Indicators. He said that a number of "cross-currents" in the economy would keep it from overheating, which means to him that the Federal Reserve fire brigade will not be called out to apply the cold shower of a sudden rise in interest rates.

Mark Weakens
The Deutsche mark weakened against the dollar and the yen on Wednesday as currency fund managers sold the German currency ahead of next week's Bundesbank council meeting, according to news agency reports from New York.

Foreign Exchange
Further industrial restructuring and the need to cut the federal budget deficit with tax increases in the upper brackets, he said, will act as a self-correcting drag to the economy's new-found exuberance.

United States with weak recoveries of their own as they also reform their industrial structures for the new global economy.

She said the yen weakness against the dollar and eventually brought independent dollar buyers as well. The dollar rose to 1.7275 DM from 1.6995 DM at Tuesday's close and to 1.11.75 yen from 1.11.40 yen. The U.S. currency gained to 5.8655 French francs from 5.7919 francs and to 1.4665 Swiss francs from 1.4340 francs. The pound slid to 51.4770 from 51.5000.

A Fuji Bank dealer said selling of marks for yen by Japanese trust banks forced the mark back through support at 65.05 yen. In late trading, the mark was quoted at 65.72 yen, down from 65.60 late Tuesday.

SGB to Get Capital Injection

BRUSSELS — Societe Generale de Belgique SA said Wednesday that it would receive the scheduled capital injection of 5.6 billion Belgian francs (\$158 million) from its two main shareholders.

The cash is the second half of 11 billion francs pledged at the time of the 1988 takeover battle for the Belgian company. Its majority shareholder, Compagnie de Suez of France, will pay 4.5 billion francs while Groupe AG, a Belgian insurer, will pay 1.1 billion francs.

Full payment of the cash had depended on General's restructuring by paying off old debt and selling certain assets, company officials noted. The stock closed unchanged Wednesday at 2.645 francs a share.

WORLD STOCK MARKETS

Table: WORLD STOCK MARKETS. Columns: Market, Index, High, Low, Close, Chg. Includes Amsterdam, Helsinki, Hong Kong, Brussels, Frankfurt, Johannesburg, Madrid, Sao Paulo, Singapore, Zurich, Stockholm, Montreal.

Table: WORLD STOCK MARKETS. Columns: Market, Index, High, Low, Close, Chg. Includes Toronto, Paris, Sydney, Tokyo, Milan, London.

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# Italy Clears Plan To Save State Broadcaster

**Rome** — The Italian cabinet approved on Wednesday a bailout package worth several hundred trillion lire to save the state broadcaster RAI from bankruptcy.

## IMI Sale Is Set For Jan. 31

**Milan** — The public offer of more than 30 percent of the credit concern Istituto Mobiliare Italiano will run between Jan. 31 and Feb. 4, the Treasury said Wednesday.

# Texaco Cuts Start-Up Costs With Wellheads on Seabed

**New York Times Service** — Texaco Inc. said it has brought a new North Sea oil and gas field into production using emerging deep-water technology and an unusual partnership with Chevron Corp.

The government failed to intervene. The measures approved by the cabinet include a 5 percent increase in the 888 license fee that Italians pay each year and a sharp cut in the levy RAI pays to the state.

About 350 billion lire (\$219 million) of RAI debt will be converted to equity under the plan, and the government promised to clamp down on license-fee evaders.

The cabinet also approved a new treasury-appointed director on RAI's board to keep a close eye on the books, a measure criticized by the former communist Democratic Party of the Left and journalists as an attack on editorial freedom.

Mr. Berlusconi denounced the government for passing the measures on the same day it was due to implement tax hikes worth some \$4 billion.

Strathey into production at about half that cost. Texaco placed the head of its wells about 450 feet (137 meters) deep on the sea bed. The oil is collected by underwater pipelines from 15 wells and sent to a central underwater collection point.

The oil and gas is sent to the Ninian central surface platform, owned by Chevron. Chevron will process the oil and gas in exchange for royalties from Texaco.

The Strathey field is expected to add significantly to North Sea output, which has risen from 4.9 million barrels a day in the summer to close to 5 million a day now.

# Gains Seen for Paris Bourse in '94

## Analysts Peg Outlook to French Rate Reductions

**By Jürgen Hecker**  
*AFP-Edit News*

**PARIS** — Paris share prices are likely to make solid advances in 1994 if the market's expectations for regular cuts in French interest rates are confirmed, analysts and dealers said Wednesday.

A progressive economic recovery in France will favor cyclical stocks early in the year, while consumer stocks will not come into their own before the second half, they added.

If rates decline as rapidly as expected, the CAC-40 index will reach 2,600 at year end and 2,400 to 2,500 by the end of the first half, several brokers predicted. This potential return on investment will attract American and British investors, in particular. The index closed at 2,281.89 on Wednesday, up 17.25 points on the day.

"France offers one of the best potentials for rate cuts in Europe and the Paris Bourse is one of the most interest-rate-sensitive markets," said Sophie Blais, equity strategist at Credit Suisse First Boston.

Lower interest rates will reduce corporate financial charges and therefore help boost profits. They should also progressively in-

crease consumer confidence, analysis said. Most importantly, they will reduce returns from short-term money market funds and most of the liquidity stashed in those funds will find its way into the stock market, analysts said. They noted a sharp increase already in liquidity flows into stocks as investors benefit from generous tax breaks for such shifts before Dec. 31.

Because of that deadline, the natural flow of funds toward the higher-yielding stock market may dry up in the first few weeks of the year, analysts said, but it will increase later with every rate cut.

The Bank of France intervention rate probably will be cut to 4.5 percent by the end of the first half of 1994 and to about 4 percent by December, said Esther Baroudy, senior international economist at Credit Lyonnais. The current rate is 6.2 percent.

Paris markets will benefit from a swing in investor sentiment as France's economic fundamentals compare more and more favorably with those of Germany, analysts said. They cited France's trade surplus and tight control over inflation as its decisive advantages.

Ms. Baroudy said that as a result, the franc could firm. She predicted the Deutsche mark would fall to 3.35 francs by the end of the year from the current rate of about 3.40. She added that Germany's interest-rate premium over France was likely to disappear.

Most analysts expect the Paris market to advance in a linear fashion, interrupted only by occasional phases of correction.

They acknowledged that there were risk factors, including doubts on the timing of a French economic pick-up, uncertainty on the strength of the U.S. economy and the dollar, and international political risks, such as instability in Russia.

Frank Bergeot, a dealer at Cholet Dupont, predicted that the market would see a substantial correction, bordering on a crash, before the end of the first half.

From an assumed 2,300 level on the CAC-40 at the start of the year, he said, the market could drop to 2,000 as U.S. interest rates rise and it becomes clear that French companies will not see a spectacular earnings rebound. The index will recover, according to this scenario, but not beyond 2,500 by the end of 1994, Mr. Bergeot said.

# A Pension-Fund Program to Invigorate Stock Prices

**PARIS** — France is preparing a pension-fund plan that should pour billions of francs into the Bourse, flesh out the meager funds of major French companies, and revolutionize the country's brand of organized capitalism.

Finance Minister Edmond Alphandery said this month that he hoped to introduce a bill on pension funds to the National Assembly by spring.

He has not disclosed details, promising only that the new system would complement and not replace the existing state one.

Under that, pensions of up to 80 to 90 percent of salary are paid out of workers' contributions.

There are already two rival proposals for a new system. One was drawn up by Jacques Barrot, a centrist who heads the parliament's

finance committee, and the other by banks, insurers and companies working under the umbrella of the employers' federation.

Key issues include how much pension money can be reinvested in employees' own companies and whether recipients will be paid in a lump sum or in annuities.

The debate centers on the need to satisfy three requirements: provide pensions for the ageing population, bolster companies' capital and spark interest in the Bourse.

The present system is cracking as job losses cut workers' contributions. The system, which pays basic pensions to everyone, is weighed down by huge deficits, while two supplementary plans for professionals are nearly bankrupt. There also are savings plans that function as pension plans.

But the French have until now resisted a more formal tax-break-driven private pension fund system, fearing an erosion of the welfare state.

The commitment to retaining the existing system means that the new funds in France will probably be used only by affluent people to supplement their state pensions, in contrast to the systems in Britain and the United States, where state pensions are much smaller.

The government's need to divert savings from the money market into shares to help absorb the 21 companies it plans to privatize over the next five years has given the issue immediacy.

France's big companies, which tend to be undercapitalized, are pressing for the introduction of pension funds as a way of bolstering their capital.

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# Eisner Presses Fight Over Euro Disney Rescue

**Compiled by Our Staff From Dispatches**  
**PARIS** — Comment by Walt Disney Co.'s chief that Euro Disney SCA's performance is "dreadful" was seen here Wednesday as tough talk in restructuring negotiations.

French banks that put up most of the money to build the \$4 billion park east of Paris refused to comment on the report by Disney's chairman, Michael Eisner, to his shareholders, made public Tuesday.

But banking sources saw Mr. Eisner's statement as positioning

"There's evidently a bit of pressuring going on. It's a good fight," said an analyst with Banque Nationale de Paris, a main lender to the park.

Disney, which has a 49-percent stake in Euro Disney, is negotiating with 60 banks to keep the park operating past April. In the park's first financial year ended Sept. 30, Euro Disney reported a net loss of 5.3 billion francs (\$930 million).

In his report, Mr. Eisner said Walt Disney Co. "cannot shoulder the entire burden ourselves."

"We will deal in good faith with our fellow Euro Disney shareholders and Euro Disney creditors," he wrote. "But in doing so, I promise all shareholders of Walt Disney Co. that we will take no action to endanger the health of Disney itself."

Disney in November took a \$350 million charge against earnings to cover Euro Disney losses.

Mr. Eisner wrote that Euro Disney was Disney's "first real financial disappointment."

## Investor's Europe

Exchange	Index	Wednesday Close	Prev. Close	% Change
Frankfurt DAX		148.30	148.10	+0.14
London FTSE 100 Index		7,507.70	7,511.12	-0.05
Paris CAC 40		2,214.70	2,242.82	-1.25
Amsterdam CBS Trend		844.16	841.96	+0.26
Brussels Stock Index		1,588.20	1,582.76	+1.63
Frankfurt DAX		2,598.90	2,549.40	+1.94
London FTSE 100		3,462.00	3,396.50	+1.93
Madrid General Index		3,145.56	3,205.57	-2.00
Milan MIB		1,345.00	1,354.00	-0.66
Paris CAC 40		2,281.89	2,264.64	+0.76
Stockholm Affarsvaerlden		1,637.43	1,615.40	+1.36
Vienna Stock Index		480.93	482.54	-0.33
Zurich SBS		1,006.07	1,005.72	+0.03

Sources: Reuters, AFP

## Very briefly:

- Norway's central bank, seeking to defend the krone, announced a rise in its deposit rate to 5 percent from 4.75 percent and the overnight lending rate to commercial and savings banks to 7 percent from 6.75 percent.
- Britain and France have agreed to extend Eurotunnel PLC's Channel Tunnel Concession to 65 years from 55 years.
- French business activity declined in December after four months of improvement, according to the monthly survey of business opinion.
- The Swedish Bank Support Authority said it would seek up to several hundred million kronor in damages in a suit to be filed against the majority of Gota Bank's 1990 board of directors for having approved transactions that allegedly caused huge credit losses.
- Turkey has authorized a consortium led by Chase Manhattan Bank to arrange privatization of two state petroleum companies, Tupras Petrol Rafinerileri AS and Petrol Ofisi AS.
- RAS Leibur, Estonia's largest bakery, has been sold by the country's privatization agency to Cullor of Finland, Cerealia of Sweden and the commercial Estonian bank Tallinna Pank in a deal worth an estimated 71 million Estonian kroons (\$5.3 million).

## Cautious German Outlook

**Compiled by Our Staff From Dispatches**  
**FRANKFURT** — A German industry group and a leading bank warned Wednesday that West German economy might recover only slowly from recession and unemployment levels would be high for some time.

The Federal Association of German Industry predicted only a slight recovery in Western Germany in 1994 in an economic outlook released on Wednesday.

# NASDAQ

**Wednesday's Prices**  
NASDAQ prices as of 4 p.m. New York time. This list compiled by the AP, consists of the 1,000 most traded securities in terms of dollar value. It is updated twice a year.

12 Month High	Low	Stock	Div	Yld	PE	100s	High	Low	Latest	Chg
100	100	IBM	4.00	4.0	12.5	100	100	100	100	0
100	100	Microsoft	0.00	0.0	15.0	100	100	100	100	0
100	100	Apple	0.00	0.0	10.0	100	100	100	100	0
100	100	Oracle	0.00	0.0	12.0	100	100	100	100	0
100	100	Sun	0.00	0.0	11.0	100	100	100	100	0
100	100	Lucent	0.00	0.0	13.0	100	100	100	100	0
100	100	Motorola	0.00	0.0	14.0	100	100	100	100	0
100	100	Intel	0.00	0.0	15.0	100	100	100	100	0
100	100	AMD	0.00	0.0	16.0	100	100	100	100	0
100	100	ATI	0.00	0.0	17.0	100	100	100	100	0
100	100	3Com	0.00	0.0	18.0	100	100	100	100	0
100	100	Perceptics	0.00	0.0	19.0	100	100	100	100	0
100	100	Conquest	0.00	0.0	20.0	100	100	100	100	0
100	100	NetScout	0.00	0.0	21.0	100	100	100	100	0
100	100	NetScout	0.00	0.0	22.0	100	100	100	100	0
100	100	NetScout	0.00	0.0	23.0	100	100	100	100	0
100	100	NetScout	0.00	0.0	24.0	100	100	100	100	0
100	100	NetScout	0.00	0.0	25.0	100	100	100	100	0
100	100	NetScout	0.00	0.0	26.0	100	100	100	100	0
100	100	NetScout	0.00	0.0	27.0	100	100	100	100	0
100	100	NetScout	0.00	0.0	28.0	100	100	100	100	0
100	100	NetScout	0.00	0.0	29.0	100	100	100	100	0
100	100	NetScout	0.00	0.0	30.0	100	100	100	100	0

12 Month High	Low	Stock	Div	Yld	PE	100s	High	Low	Latest	Chg
100	100	IBM	4.00	4.0	12.5	100	100	100	100	0
100	100	Microsoft	0.00	0.0	15.0	100	100	100	100	0
100	100	Apple	0.00	0.0	10.0	100	100	100	100	0
100	100	Oracle	0.00	0.0	12.0	100	100	100	100	0
100	100	Sun	0.00	0.0	11.0	100	100	100	100	0
100	100	Lucent	0.00	0.0	13.0	100	100	100	100	0
100	100	Motorola	0.00	0.0	14.0	100	100	100	100	0
100	100	Intel	0.00	0.0	15.0	100	100	100	100	0
100	100	AMD	0.00	0.0	16.0	100	100	100	100	0
100	100	ATI	0.00	0.0	17.0	100	100	100	100	0
100	100	3Com	0.00	0.0	18.0	100	100	100	100	0
100	100	Perceptics	0.00	0.0	19.0	100	100	100	100	0
100	100	Conquest	0.00	0.0	20.0	100	100	100	100	0
100	100	NetScout	0.00	0.0	21.0	100	100	100	100	0
100	100	NetScout	0.00	0.0	22.0	100	100	100	100	0
100	100	NetScout	0.00	0.0	23.0	100	100	100	100	0
100	100	NetScout	0.00	0.0	24.0	100	100	100	100	0
100	100	NetScout	0.00	0.0	25.0	100	100	100	100	0
100	100	NetScout	0.00	0.0	26.0	100	100	100	100	0
100	100	NetScout	0.00	0.0	27.0	100	100	100	100	0
100	100	NetScout	0.00	0.0	28.0	100	100	100	100	0
100	100	NetScout	0.00	0.0	29.0	100	100	100	100	0
100	100	NetScout	0.00	0.0	30.0	100	100	100	100	0



# NYSE

Wednesday's Closing  
Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere. Via The Associated Press.

(Continued)

12 Month	High	Low	Open	Close	Change
12 Month	High	Low	Open	Close	Change
12 Month	High	Low	Open	Close	Change
12 Month	High	Low	Open	Close	Change
12 Month	High	Low	Open	Close	Change

12 Month	High	Low	Open	Close	Change
12 Month	High	Low	Open	Close	Change
12 Month	High	Low	Open	Close	Change
12 Month	High	Low	Open	Close	Change
12 Month	High	Low	Open	Close	Change

## BANESTO: Measuring the 'Hole' in the Spanish Bank's Balance Sheet

Continued from Page 9

dried stocks down, with the general index falling 6.41 points, to 314.56.

It was not clear from official statements how serious Banesto's problems were. Both Luis Angel Rojo, the Bank of Spain governor, and Pedro Solbes, the economy minister, were due to answer questions in Congress on Thursday.

The statements about problems in capitalization have surprised analysts, who noted Banesto in August raised capital to 113.9 billion

pesetas from 73.7 billion in a three-part equity placement that was also to include a \$400 million debt issue.

But the debt issue was postponed amid talk Banesto had broken relations with its U.S. adviser, J. P. Morgan & Co., which arranged the equity deal and took a stake in the bank.

Javier Requena of the brokerage Benito y Mojonard said Spain's banking sector would be hurt in the short term, principally because of the uncertainties over how Banesto would be helped and the financial strains that might arise.

Analysts from Carnegie España said the Banesto news darkened a poor outlook for the banking sector for 1994, with shrinking margins from lower interest rates and lower gains from their bond portfolios pointing to drops in profit.

But Mr. Requena said the solvency of Spain's banks will not be significantly affected by the Banesto affair. "We remind that the sector is one of the most capitalized

and most highly provisioned in the world," he said.

The other Spanish banks have so far not been asked to provide any financial investment.

In a note distributed through the private banking association AEB, the central bank called on other Spanish banks on Wednesday to maintain or "if necessary increase" their credit lines to Banesto.

(AFX, Reuters, Bloomberg)

### INTERNATIONAL FUNDS

Quotations supplied by funds listed. Not all value quotations are supplied by the Funds listed with the exception of some quotes based on issue prices. The marginal symbols indicate frequency of quotations supplied: (d) - daily; (w) - weekly; (bi) - bi-monthly; (m) - monthly; (tr) - quarterly; (yr) - yearly.

Fund Name	12 Month	High	Low	Open	Close	Change
ABC INVESTMENT SERVICES CO (E.C.)	12.50	12.50	12.50	12.50	12.50	0.00
ALBA INVESTMENT SERVICES CO (E.C.)	12.50	12.50	12.50	12.50	12.50	0.00
ALFA INVESTMENT SERVICES CO (E.C.)	12.50	12.50	12.50	12.50	12.50	0.00
ALFA INVESTMENT SERVICES CO (E.C.)	12.50	12.50	12.50	12.50	12.50	0.00
ALFA INVESTMENT SERVICES CO (E.C.)	12.50	12.50	12.50	12.50	12.50	0.00

For information on how to list your fund, fax Simon OSBORN at (33-1) 46 37 21 33.



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من الأمل



# A Compromise On Tax Cuts Stirs in Tokyo

**Agence France-Press**  
**TOKYO** — The Japanese government on Wednesday appeared close to a compromise between the biggest party in the ruling coalition and the Finance Ministry over how to pay for trillions of yen in income-tax reductions.

The apparent breakthrough coincided with reports that the bureaucrats who control the purse strings had eased their demands that the cuts be funded by an immediate consumption tax hike to make up for lost revenue.

The compromise, if confirmed, would explain separate reports that the government is preparing to lower income taxes by more than 6 trillion yen (\$54 billion) from as early as January and defer raising the consumption tax, now at 3 percent, for about 15 months, until early 1995.

Finance Ministry officials have insisted that resorting to deficit financing would be reckless in light of their successful campaign to phase out the issue of so-called deficit-covering bonds. In Japanese fiscal parlance, these are distinct from construction bonds used to finance public works projects.

The alternative to deficit financing, that of raising the consumption tax introduced in 1989, is opposed by the Social Democratic Party, the biggest partner in the fragile seven-party coalition of Prime Minister Morihiro Hosokawa.

Attempts to reach a compromise have stalled the announcement of

the tax cuts as part of a new package of measures to stimulate the faltering economy, initially expected to be announced as early as December.

In separate end-of-year interviews recorded this week, however, two cabinet ministers have reportedly stated publicly what Finance Ministry officials have in the past only been prepared to say in private: there is more to government debt than deficit-covering bonds.

"We must avoid general deficit-covering bonds," Masayoshi Takekura, the chief cabinet secretary, was quoted as saying Wednesday in an interview with Japan Broadcasting Corp., known as NHK.

"But there are other things like bridging bonds and short-term government bonds," said Mr. Takekura, who is the government spokesman. "I think it is permissible to use those where we can expect smooth redemption."

His remarks were reportedly echoed by the deputy prime minister, Tsutomu Hata, in a separate interview with NHK. "It's difficult to cut income taxes and raise consumption taxes at the same time," Mr. Hata was quoted as saying. Asked how income tax cuts would therefore be funded, he reportedly responded: "If you say bridging bonds, there may be such possibility."

Japanese media invented the term bridging bonds in 1991 to refer to short-term bonds Japan issued to pay for its \$9 billion contribution to the Gulf War, later recouped through a special corporate tax.

# Bottling a Dream in India Businessman Seeks to Make Fine Wine

**By Edward A. Gargan**  
*New York Times Service*  
**DODBALLAPUR, India** — Just over a rise of stubby wheat fields and around a twist of torn macadam spreads Kanwal K. Grover's dream, a march of granite pillars and wire draped and wound with the leaves and budding fruit of cabernet sauvignon grapes.

This dream is one of revolution: to change the habits of India's upper-middle classes, transforming them into wine drinkers.

"Yes, it's right to say that wine is not a habit in India," said Mr. Grover, majority owner of a sprawling vineyard in Dodballapur, 40 kilometers (25 miles) north of Bangalore.

"But I say wine?" he continued. "Unless you produce a good wine, a wine of international standard, how are you going to judge whether the Indian is a wine drinker?"

A Frenchman, Bruno Yvon, works with Mr. Grover, inspecting production and regularly testing the wine.

"It makes no grandiose claims. It's definitely not as good as a chateau in Bordeaux," Mr. Yvon said, holding a glass of pale Blanc de Blancs to the light. "If you compare what we have here with the best of French wines, we are definitely not there. But if you compare it to the worst of French wines, we are definitely better."

Although there are other vintners in India, including a maker of sparkling wine, they all use table grapes.

"There are wine makers, yes, but one bottle is different from the next," Mr. Grover said.

His own dream crystallized in 1979, when he was in China pursuing his main business, the import and export of machine tools, and met George Vesselle, a wine maker in France's Champagne region.

Over the next few years, Mr. Grover shipped dirt from different parts of India and statistics on rainfall and temperature to Mr. Vesselle for analysis.

In 1983, Mr. Grover and Mr. Vesselle selected 35 vine varieties to test in India.

They bought an experimental plot near Bangalore, said the general manager of Grover Vine-

yards, Abhay Kewadkar, who trained as a wine maker in France. By 1989, they had narrowed the samples to nine varieties and planted three acres (1.2 hectares).

Today, the vineyard has 60 acres of vines. Mr. Kewadkar said, and next year it will have 100.

"We have very good red, light soil and we have lots of sunlight," Mr. Yvon said. "With this system we can have two harvests a year, in the spring and in the fall. This is something I could not do in France."

"This year it's a very light color," he said of the

**'If you compare what we have here with the best of French wines, we are definitely not there. But if you compare it to the worst of French wines, we are definitely better.'**

**Bruno Yvon, a French wine maker working in India.**

# Japan Says Slush Funds Hit Record This Year

**Compiled by Our Staff From Dispatches**  
**TOKYO** — Unspecified expenditures by Japanese companies, widely believed to include bribes and kickbacks, reached a record high this year, the national tax agency said Wednesday.

The tax agency said unidentified expenditures increased 6.6 percent from a year earlier in the 12 months to June, to a record 59.5 billion yen (\$540 million). Japanese law allows companies to pay taxes on certain funds without specifying what the money was used for.

The agency added that the actual total of such expenditures could be far higher because its survey covered only 4,909 companies, or 15 percent of the Japanese businesses capitalized at more than 100 million yen.

Japan's business and political corruption scandals widened this year as dozens of corporate chairmen and presidents were arrested for bribing governors and mayors.

Ichiro Ozawa, a power broker in the coalition government, faced an allegation last week that he received 10 million yen from Hazama Corp. in 1991 after he helped the company win a contract for a dam project.

The tax agency said 70 percent of the unidentified expenditures were found in the construction industry.

Ties between Japanese companies and politicians came to light when an official, Shin Kanemaru, resigned in 1992 after admitting he took illegal funds from a mot-related trucking company.

(AFP, Bloomberg, Reuters)

Investor's Asia				
Exchange	Index	Wednesday Close	Previous Close	% Change
Hong Kong	Hang Seng	11,449.70	11,570.20	-1.04
Singapore	Straits Times	2,426.85	2,392.37	+1.44
Sydney	All Ordinaries	2,126.90	2,099.20	+1.80
Tokyo	Nikkei 225	17,272.03	17,131.21	+0.82
Kuala Lumpur	Composite	1,231.86	1,223.05	+0.72
Bangkok	SET	1,668.83	1,652.69	+0.96
Seoul	Composite Stock	Closed	866.18	-
Taipei	Weighted Price	5,538.07	5,501.75	+0.66
Manila	Composite	3,196.08	3,165.65	+0.96
Jakarta	Stock Index	587.88	572.57	+2.67
New Zealand	NZSE-40	2,155.79	2,108.33	+2.25
Bombay	National Index	Closed	1,620.25	-

**Very briefly:**

- South Korea's Securities Advisory Board said foreigners invested \$7.5 billion in the stock market in 1993, more than double the 1992 amount.
- Bank of Korea said South Korean industries invested \$1.45 billion abroad in the first 11 months of 1993, up 33 percent from 1992; much of the rise was due to a near-tripling of investment in China, to \$551 million.
- Shanghai-Volkswagen Automotive Co., Volkswagen AG's Chinese joint venture, produced more than 100,000 Santana cars in 1993, up from 65,000 units in 1992 and 35,000 in 1991.
- Nissho Iwai Corp. won separate orders totaling 6.5 billion yen (\$58.4 million) with Stry Chamon Implant SpA of Italy and Technip SA of France to build plants for making chemicals for fertilizer in China.
- PT PANN, an Indonesian state company, is negotiating to buy 32 second-hand Boeing 737-200s from Lufthansa for around \$260 million.

Reuters, AFP, APF

# SHIRT: U.S. and Japanese Technology Is Ironing Out a Pressing Problem

**Continued from Page 9**  
**Cotton Inc.**, a marketing and research organization in New York that represents American cotton growers.

Still, some specialists, despite their enthusiasm for the no-iron, all-cotton ideal, cautioned that wearing was believing.

"We've had three generations of failures of no-iron," said Hiro Okamoto, president of International Textile Management Consulting Co. in New York, who is the licensing agent in the United States and Asia for an American process to make clothing wrinkle free. "If it doesn't absorb water, if it is weak and it turns yellow after 20 washes, it doesn't make sense."

Because shirts are made of thin fabric, compared with most other clothes, they represent the ultimate no-iron challenge. That is why the processes being used in the new all-cotton shirts have been honed on thicker clothing.

In the United States, for example, Hagar Apparel Co., Farah Inc. and others have had great suc-

cess in the last year selling all-cotton slacks that resist wrinkling.

But it was the Japanese who were first out of the armoire with no-iron shirts, introducing the half-cotton, half-polyester versions that are said to be superior to previous cotton-polyester incarnations and to need no ironing even after 20 washes.

They have had brisk sales since their introduction, and they have been one of the hit products of the year-end gift-giving season here. The shirts sell for \$40 to \$75, or about \$10 to \$20 more than regular dress shirts in Tokyo.

In Japan, where domestic chores are still divided largely along traditional gender lines, the shirts are proving popular not only with housewives, who hate to iron, but also with salarymen, who on business trips can now wash a shirt in the sink, hang it up to dry and wear it the next day.

As for the recently introduced all-cotton versions, Choya Corp. is selling them for about \$70. This spring in the United States, all-cotton wrinkle-free Arrow shirts may sell for \$35 to \$40 — the same

price as current cotton Arrows — said Mary Alice Kelly, executive vice president of Chett Peabody Shirts, the company that owns Arrow.

Shirt scientists, as it turns out, have a scale for classifying wrinkles, with 1 being the equivalent of a withering prune and 5 representing a state of grace a laundryman might hope to achieve on a good day. The standard measurement is taken after five cycles of washing and tumble drying.

Untreated cotton typically has a rating of about 1 or a little better. A conventional cotton-polyester blend ranks somewhere between 3 and 3.5. The half-cotton, half-polyester no-iron shirts now sweeping Japan have been known to hit 4.

The new all-cotton shirts made with Nishinbo's process have a rating of 3.5, which means some light ironing may be required. In the United States, companies are aiming to develop all-cotton shirts with a durable-press rating of 4, although the technique will be limited at first to Oxford, a heavy type of cotton fabric.

"The 3.5 you have to touch up; the 4 you don't," Mr. Strahl of Cotton Inc. said.

Some clothing executives say that if cotton shirts can be made resistant to wrinkling and shrinking, many people who now wear cotton-polyester blends will switch to the natural fiber.

But other executives say wrinkle-resistant cotton may have a negligible impact on the American shirt market because people who are willing to spend more to wear all-cotton shirts tend to have them laundered anyway and do not care about ironing. Like today's cotton, the no-iron variety will still be more expensive than blends.

Why does cotton wrinkle? Normally, the cellulose that provides the skeleton for cotton fibers is linked into long chains that give the fibers strength. But in some parts of the fiber, the cellulose molecules tend to have weak or missing links. When the garment is washed, the fibers swell with water and deformities occur at the weak links.

# YUAN: China to Float Currency

**Continued from Page 1**  
she expected the change to help foreign investors in China.

"It basically removes the buffer between China's domestic market and the outside world," said Annabel Betz, an economist with Baring Securities in Hong Kong.

The substantial difference between the two exchange rates has amounted to a significant subsidy for some Chinese industries, most of them state-owned, which import foreign goods and raw materials and which have access to currency at the official rate. At the same time, the rates have penalized foreign businesses and investors unable to convert dollars to yuan in the swap markets.

"Many people have been obliged to convert funds at the official rate and accept an immediate foreign exchange loss," said Anthony Russell, Hongkong & Shanghai Bank's area manager for China. "It has definitely been an obstacle to foreign investment."

The Chinese central bank made clear that it, like other nations' central banks, was not ceding total

control of its currency. It said it would intervene in the market to keep rates stable.

While the move toward a floating currency implies a devaluation of the yuan, analysts said the change may have only limited effect on China's inflation, which hit 14.5 percent nationwide and 19.5 percent in major cities this year.

**Bank of China Shake-up**  
The Bank of China appointed a new president and new chairman Wednesday in apparent preparation for major reforms in 1994, the Associated Press reported.

Wang Dejun, 63, who formerly held both posts, is retiring after 37 years, the official news agency, Xinhua, said. The new president is Wang Xuebing, 41, most recently vice general manager of the China Everbright Group Co., who worked 17 years in the Bank of China, including five years as director of its New York branch.

The new chairman is Wang Qiren, 52, former deputy director of the government's Hong Kong and Macao Affairs Office.

# Taiwan Backs Asia Cable Plan

**Compiled by Our Staff From Dispatches**  
**TAIPEI** — Taiwan officials on Wednesday approved a \$73.67 million investment in a project to build Asia's longest telecommunications cable network, connecting nine countries.

The Asia Pacific Cable Network will link Hong Kong, Indonesia, Japan, Malaysia, the Philippines, Singapore, South Korea, Taiwan and Thailand. They will share the

estimated \$684 million cost of the broad-band, 11,000-kilometer (6,800-mile) network, said the Council for Economic Planning and Development, a cabinet-level agency.

Construction of the cable, which will contain 60,000 telephone circuits, will begin next year and is expected to be completed in early 1997, officials said.

(AP, AFP)

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**Herald Tribune**

AMEX											
Wednesday's Closing											
Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere. Via The Associated Press											
12 Month High	12 Month Low	Stock	Div	Yld	PE	12 Month High	12 Month Low	Stock	Div	Yld	PE
12.50	11.50	AA	0.00	0.00	15.00	12.50	11.50	AA	0.00	0.00	15.00
12.50	11.50	AB	0.00	0.00	15.00	12.50	11.50	AB	0.00	0.00	15.00
12.50	11.50	AC	0.00	0.00	15.00	12.50	11.50	AC	0.00	0.00	15.00
12.50	11.50	AD	0.00	0.00	15.00	12.50	11.50	AD	0.00	0.00	15.00
12.50	11.50	AE	0.00	0.00	15.00	12.50	11.50	AE	0.00	0.00	15.00
12.50	11.50	AF	0.00	0.00	15.00	12.50	11.50	AF	0.00	0.00	15.00
12.50	11.50	AG	0.00	0.00	15.00	12.50	11.50	AG	0.00	0.00	15.00
12.50	11.50	AH	0.00	0.00	15.00	12.50	11.50	AH	0.00	0.00	15.00
12.50	11.50	AI	0.00	0.00	15.00	12.50	11.50	AI	0.00	0.00	15.00
12.50	11.50	AJ	0.00	0.00	15.00	12.50	11.50	AJ	0.00	0.00	15.00
12.50	11.50	AK	0.00	0.00	15.00	12.50	11.50	AK	0.00	0.00	15.00
12.50	11.50	AL	0.00	0.00	15.00	12.50	11.50	AL	0.00	0.00	15.00
12.50	11.50	AM	0.00	0.00	15.00	12.50	11.50	AM	0.00	0.00	15.00
12.50	11.50	AN	0.00	0.00	15.00	12.50	11.50	AN	0.00	0.00	15.00
12.50	11.50	AO	0.00	0.00	15.00	12.50	11.50	AO	0.00	0.00	15.00
12.50	11.50	AP	0.00	0.00	15.00	12.50	11.50	AP	0.00	0.00	15.00
12.50	11.50	AQ	0.00	0.00	15.00	12.50	11.50	AQ	0.00	0.00	15.00
12.50	11.50	AR	0.00	0.00	15.00	12.50	11.50	AR	0.00	0.00	15.00
12.50	11.50	AS	0.00	0.00	15.00	12.50	11.50	AS	0.00	0.00	15.00
12.50	11.50	AT	0.00	0.00	15.00	12.50	11.50	AT	0.00	0.00	15.00
12.50	11.50	AU	0.00	0.00	15.00	12.50	11.50	AU	0.00	0.00	15.00
12.50	11.50	AV	0.00	0.00	15.00	12.50	11.50	AV	0.00	0.00	15.00
12.50	11.50	AW	0.00	0.00	15.00	12.50	11.50	AW	0.00	0.00	15.00
12.50	11.50	AX	0.00	0.00	15.00	12.50	11.50	AX	0.00	0.00	15.00
12.50	11.50	AY	0.00	0.00	15.00	12.50	11.50	AY	0.00	0.00	15.00
12.50	11.50	AZ	0.00	0.00	15.00	12.50	11.50	AZ	0.00	0.00	15.00
12.50	11.50	BA	0.00	0.00	15.00	12.50	11.50	BA	0.00	0.00	15.00
12.50	11.50	BB	0.00	0.00	15.00	12.50	11.50	BB	0.00	0.00	15.00
12.50	11.50	BC	0.00	0.00	15.00	12.50	11.50	BC	0.00	0.00	15.00
12.50	11.50	BD	0.00	0.00	15.00	12.50	11.50	BD	0.00	0.00	15.00
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# SPORTS

## Sonics Top Rockets to Go To the Head of the Class

The Associated Press  
 There's a new "best" team in the National Basketball Association. The Seattle SuperSonics replaced the Houston Rockets as the team with the highest winning percentage — at .875 with a 21-3 record — after a 112-97 victory Tuesday night in Seattle in which Gary Payton and Ricky Pierce each scored 25 points.

The Rockets, who have lost three of their last four, slipped to 23-4 and .852.

"We're both among the elite teams in the league," said Payton after Seattle raised its record to 13-1 at home, the only loss an 87-86 setback against Phoenix on Thursday. "People were saying we hadn't won a big game. Now we've won a big game. We're right there with the Rockets."

The Rockets, playing their fourth game in six days, were without a key reserve, Scott Brooks, who was out with flu.

"It was frustrating because we responded in the beginning," Houston's center, Hakeem Olajuwon, said. "In a game like this, whichever team plays the smartest is going to win."

The Sonics led by 30 points three times in the second quarter. But the Rockets battled back to get to 84-81 with 10:26 left before the Sonics scored the next 11 points for a 95-81 lead with 7:17 to go. Pierce scored on 18- and 15-footers and two free throws. The spurt also included Payton's 3-pointer — from his second of the season — only

about 25 feet as time was running out on the 24-second clock.

Olajuwon scored 34 points for the Rockets, who are now 13-3 on the road this season. He hit 16 of 21 shots from the floor, had 10 rebounds and blocked four shots.

Nets 97, Knicks 95: Derrick Coleman and Kenny Anderson scored nine points during a late 10-0 run that helped New Jersey end its eight-game road losing streak.

The Knicks, whose six-game winning streak at Madison Square Garden ended, nearly overcame a four-point deficit in the final 11 seconds. But Patrick Ewing, on the free-throw line with the score 97-95 and 0.2 seconds left, was off the mark on his first foul shot before missing his second intentionally.

Coleman, who had 30 points and 13 rebounds, had a 3-pointer and two free throws, while Anderson scored four points during the 10-0 spurt that turned a 92-86 deficit into a 96-92 lead. Anderson finished with 21 points and 12 assists.

Spurs 84, Heat 76: Eric (Sleepy) Floyd woke up the lethargic San Antonio offense with 15 fourth-quarter points in Miami.

Floyd, who totaled 19 points, scored nine during a 11-4 run that opened the fourth quarter, and the Heat was never able to again get closer than four points.

Despite sitting out warmups with the flu, David Robinson led San Antonio with 20 points and 16

rebounds, while Dennis Rodman had 15 rebounds.

Hawks 119, Pistons 101: Mookie Blaylock scored 19 points and Duane Ferrell, replacing the injured Dominique Wilkins, scored 18 as Atlanta bounced back from two straight losses to beat visiting Detroit.

Ferrell and Blaylock, who also had 12 assists, were among six Atlanta players in double figures as the Hawks got their 11th win in 12 home games this year and 17th of their last 20 overall.

Cavaliers 127, Hornets 115: Gerald Wilkins scored 29 points, with a key 3-pointer in overtime, as Cleveland beat visiting Charlotte for its fifth straight victory.

The Hornets, without Larry Johnson, out for the game with a strained back, also lost Alonzo Mourning to fouls late in the fourth quarter. Cleveland then dominated the extra period, 16-4, as Charlotte remained winless in 12 trips to the Richfield Coliseum.

Brad Daugherty scored 28 points, 22 in the first half, while Mourning led Charlotte with 24 points.

Dell Curry added 23 and Eddie Johnson, who went over 17,000 career points in his 13th NBA season, 19. Curry made five 3-pointers, four of them in a 16-point fourth period.

Nuggets 97, Mavericks 85: Bryant Stith scored 21 points, making all 15 of his free throws, as Denver extended Dallas, extending the worst home start in NBA history to 13 straight losses.



Detlef Schrempf temporarily stopped Hakeem Olajuwon, albeit with a foul, as the Sonics brought down the Rockets, 112-97.

## Tournament Is All Indiana's Despite Injuries to 2 Players

The Associated Press  
 INDIANAPOLIS — Indiana may have paid a big price for its 12th consecutive Hoosier Classic championship.

The 13th-ranked Hoosiers played most of the second half of Tuesday night's championship game in Indianapolis with only eight players in uniform when Todd Leary and Brian Evans were injured. But Indiana held on to defeat No. 25 Western Kentucky, 65-55.

The two players' status for Indiana's Big Ten opener Jan. 8 against Penn State was uncertain because Indiana's coach, Bob Knight, would not talk to the media afterward and did not send a member of his staff to be interviewed.

Pat Graham, no stranger to injury after missing most of two seasons with fractures in his feet, and fellow senior Damon Bailey scored Indiana's final 18 points of the game, with Graham getting 10 of the 20 points in the final minutes.

Leary, selected the tournament's most valuable player for the second consecutive year, had a game-high 24 for the second consecutive night.

"You're going to have to take some lumps in a game. We just sort of huddled around that and came through," Graham said.

Leary, in his first start of the season, sprained his right knee in the first half. Evans dislocated his right shoulder early in the second half.

Western Kentucky (4-3), which trailed by 38-21 early in the second half, cut the deficit to 45-43 on Chris Robinson's two free throws with 11:40 to play. But Indiana (7-2) responded with a 14-3 spurt to take a 59-46 lead.

Western Kentucky shot only 36.4 percent and had 22 turnovers that led to 22 Indiana points. Chris Robinson, who led the Hilltoppers with 16 points, fouled out with 7:24 to play.

No. 1 Arkansas 129, Texas Southern 63: With President Bill Clinton in attendance, the Razorbacks (8-0) cruised to a 59-22 halftime lead over the visiting Tigers (3-7) and had it up to 74-24 two minutes after intermission. Davor Rimac led Arkansas, which made a school-record 20 3-pointers in 36 attempts, with 18 points.

No. 5 Kentucky 110, San Francisco 83: Travis Ford had 27 points to lead the Wildcats (8-1) to their 27th straight victory at home. The Dons (7-2), who had won seven straight, were within 71-68 with 9:07 left when Kentucky went on a 12-3 spurt and took leads as big as 30 points. Orlando Smart led San Francisco with 22 points.

No. 7 Michigan 102, Auburn 81: Jimmy King scored 22 points to lead the Wolverines (7-1) in the opening round of the Fiesta Bowl Classic in Tucson, Arizona, where they will play host Arizona for the title Thursday night. Julian Rose had 21 points and Jason Howard added 20 for Michigan; Wesley Person had 22 to lead the Tigers (4-3).

No. 8 UCLA 81, North Carolina 75: In a game to mark the 20th anniversary of an NCAA semifinal between the schools, the visiting Bruins (7-0) had their closest game of the season. UCLA had a 67-52

lead with 8:49 left only to see the Wolfpack (4-5) get within 75-71 with 1:23 to play. Ed O'Bannon matched his season-high with 34 for the Bruins, while Lewis Sims stopped the Wolfpack with 14 points.

No. 9 Massachusetts 91, Hartford 62: The Minutemen (8-1), playing at home, returned from a 16-day layoff with an easy win in the opening round of their Abdow's Hall of Fame Classic. Mike Williams had 21 points to lead Massachusetts, which will meet Maryland in the title game.

No. 11 Louisville 76, Cal State Barbara 53: Center Clifford Rozier scored 14 of his 16 points in the first half as Louisville (6-1) used a 15-0 opening run in the Rainbow Classic in Honolulu to advance to the title game against Florida, which upset No. 20 Oklahoma State.

No. 12 Arizona 111, Fordham 84: Khalid Reeves had 23 points as the Wildcats (9-1) won their first game since a heartbreaking loss to Kentucky in the finals of the Maui Invitational. Derek Morris scored 21 points, all on 3-pointers, for the Rams (2-5).

No. 14 Connecticut 112, Texas-Arlington 72: Donyell Marshall had a career-high 33 points and grabbed 12 rebounds for the Huskies (8-0) in the first round of the Big Island Invitational in Hilo, Hawaii. Robert Morgan led the Mavericks (4-6) with 22 points.

Virginia 62, No. 16 Minnesota 57: Junior Burrough got 22 points as the Cavaliers (4-3) won despite making only five of nine free throws in the last 2:30. The visiting Golden Gophers (7-3) had a five-game winning streak snapped as leading scorer Voshon Lenard got just six points before fouling out.

No. 18 Cincinnati 84, Robert Morris 59: The host Bearcats (9-2), despite a sloppy game, won with 18 points each from reserves Darnell Burton and LaZelle Durden.

### COLLEGE BASKETBALL

Florida 74, No. 20 Oklahoma St. 69: Demetri Hill had a career-high 23 points as the Gators (8-1) won in the Rainbow Classic. A 24-9 run by the Cowboys (7-3) got them to 59-58 with 6:44 left, but not closer. Brooks Thompson had 21 points for Oklahoma State, which got a career-low four points from center Bryant Reeves.

New Orleans 63, No. 21 George Washington 60: Gerald Williams had 12 points and came up with the game's biggest rebound, of a teammate's missed free throw with six seconds left, to give the Privateers (6-2) the title in the 46th and last Sugar Bowl tournament in New Orleans. Yinka Dare, a 7-foot-1 sophomore center, had 21 points and 10 rebounds for the Colonials (6-2), but 6-center Melvin Simon came up big for New Orleans with 21 points and 13 rebounds.

No. 24 Marquette 73, N. Illinois 58: Robb Logtermann was 5-for-6 from 3-point range and had 23 points to lead the visiting Warriors (7-2).

## Giants' Williams Signs \$30 Million, 5-Year Deal

The Associated Press  
 NEW YORK — Matt Williams didn't have to test major league baseball's free-agent market to reap the benefits.

The San Francisco Giants signed him to a \$30.75 million, five-year contract Tuesday that made the National League's top-earning third baseman the eighth-highest paid player in the majors a year before he would qualify for free agency.

Williams came back from a sub-par 1992 season to hit .294 in 1993, an increase of 67 points from the previous season and 53 points above his career average. Signed through the 1998 season, he will make an average of \$6.15 million a year, second on the Giants behind Barry Bonds (\$7,291,667), baseball's highest paid player.

By reaching a long-term agreement, Williams and the Giants avoided having to go to arbitration this season.

The club also bound the two-time Gold Glove winner for another four seasons when he otherwise would have been eligible for free agency.

Catcher Chris Hoiles and the Baltimore Orioles agreed to a \$2 million, one-year contract, nearly a sixfold increase from his 1993 salary of \$350,000, and outfielder Dar-

in Jackson and the Chicago White Sox agreed to a \$750,000, one-year deal that gives him the chance to make another \$750,000 in performance bonuses.

Outfielder Jesse Barfield and Houston agreed on the outline of a minor-league contract that gives him a \$100,000 signing bonus and the chance for a \$250,000 big league deal that would have \$640,000 in bonus opportunities.

Pitcher Greg W. Harris and the Colorado Rockies also agreed to a one-year deal, leaving 115 players eligible to file for salary arbitration from Jan. 5-14.

Ben Taylor, the 22-year-old left-hander taken first by the New York Yankees in the 1991 amateur draft and signed for a new \$1.55 million bonus, won't pitch in 1994 following arthroscopic surgery on his pitching shoulder, the team said.

He injured the shoulder during a bar fight Dec. 18 near his home in Beaufort, North Carolina, and faces misdemeanor charges of simple assault and communicating threats. He is due to appear in court Jan. 13.

Dr. Frank Jobe, the Los Angeles Dodgers' team physician, performed the surgery to repair two tears to tissue covering Taylor's shoulder muscle.

## A Quiet Coach Has Hawks Soaring

By Harvey Araton  
 New York Times Service

BOSTON — Dominique Wilkins was annoyed. That was obvious to Lenny Wilkins, and everyone else in Boston Garden, from the start.

He had been in a bad shooting slump. He had a sore ankle and began the game against the Celtics hunched by a head cold and the fact that on the Atlanta Hawks' first few possessions, he couldn't get his itchy fingers on the ball.

Mookie Blaylock was dribbling out near the key. Wilkins ran toward him with his hands out. Blaylock dribbled the other way and hoisted a jumper that missed. Wilkins turned, facing the Hawks' bench, and cursed. He didn't exactly sprint back on defense. Soon, without fuming or fuss, Lenny Wilkins called him to the bench.

The tranquil-looking coach knew it was going to be a stomach-churning night with the 33-year-old scorer. Wilkins happens to be in the last year of his \$3.5 million contract. That's bound to exacerbate any game-night situation when Wilkins isn't in the offensive flow.

When Wilkins wasn't in the game, the Hawks' ball movement was noticeably improved. But he is still their marquee player. Their ultimate chance to challenge the New York Knicks and the Chicago Bulls in the Eastern Conference is linked to him. Thus the coach's dilemma in Boston was to figure out how to get Wilkins through the night, extract something positive from his game, without letting him drag the Hawks down.

For years, the Hawks have been Dominique's team. Their reputation has been a reflection of Dominique's, an exciting highlight film, with no substantive core. When Wilkins's career alarm started ringing last

spring in Cleveland, where he had helped rebuild a horrendous team into a contender that couldn't beat Michael Jordan, he headed for Atlanta. People wondered why this scholarly basketball teacher would choose what seemed to be an incorrigible class.

The season began. The Hawks lost four of five. They won a couple more, a few after that. Suddenly they were playing defense, trapping, hustling. Their offense was no longer Wilkins arguing with 7-foot Kevin Willis over who got to post up and demand the ball. Their

Sometime next year, Lenny Wilkins will become the pro basketball coach with the most career victories.

ball-hawking guards, Blaylock and Stacey Augmon, were reminding Wilkins of Dennis Johnson and Gus Williams from his Seattle championship coaching days. They won a team-record 14 straight. Before they left Boston, the Celtics' hunchback, Dave Gavitt, bumped into Wilkins in the hall.

"Thirty-three years I've known you and it took me until this year to realize you're a genius," Gavitt told him.

Who would've told him? Who would've blown Wilkins's horn, or smoke? Sometime next year, this scholarly 56-year-old native of Brooklyn's Bedford-Stuyvesant will pass Red Auerbach's 938 victories and become the pro basketball coach with the most career triumphs. He nonetheless remains one of the less-heralded of the breed.

He was Atlanta's second choice after Rick Pitino. Had the Hawks gotten Pitino, there would have been much glorious hype about Pitino's system, how his mere presence, like Pat Riley's in New York, would whip the Hawks into shape. In London, after the Hawks put on an embarrassing exhibition display, Wilkins knew what his many friends in the league were saying.

"Poor Lenny," he said.

He understands why, to a point. His entire career, as coach and Hall of Fame player, has been spent in places like St. Louis, Portland, Seattle and Cleveland. Wilkins has always demanded time for family, for reading, for hiking up mountains. He never cared to lecture the corporate lunch crowd. He never wanted basketball to be his whole life.

Americans prefer obsessive workers in sports. Coaches who watch film all night are somehow better. When Wilkins was the point guard for Bill Fitch, Captain Video, he was asked to sit through thousands of pick-and-roll screenings. "I'd fall asleep," he said.

Believe it or not, when Wilkins was player-coach years ago in Portland, he said he screamed his head off. He realized one thing. "No one heard me," he said.

Not much was getting through to Dominique in Boston. He shot miserably, 6 for 21. He briefly cost the Hawks a fourth-quarter lead with a handful of terrible shots. At that point, Wilkins called timeout. His voice about as loud as it gets, he said: "We take control of this game right here." He dia-grammed a play for Willis on the low post, Willis hit a jump hook. The Hawks kept going back, again and again. They were soon in control. The night was won.

The star's feelings? Wilkins privately told someone not to worry about Dominique. "I'll get him back," he said.

## Bank's Problems In Spain Imperil Funds for Sports

Reuters  
 MADRID — Three-time Tour de France winner Miguel Indurain, the Real Madrid soccer club, four top basketball teams and rally driver Carlos Sainz could all be affected by the financial crisis at Banco Espanol de Credito-Banesto SA.

The Bank of Spain announced Tuesday it was intervening in Banesto because of financial problems the bank, one of Spain's biggest, was unable to resolve alone.

The bank's biggest sporting venture is with the Banesto cycling team, whose leader, Indurain, is the highest paid rider in the world.

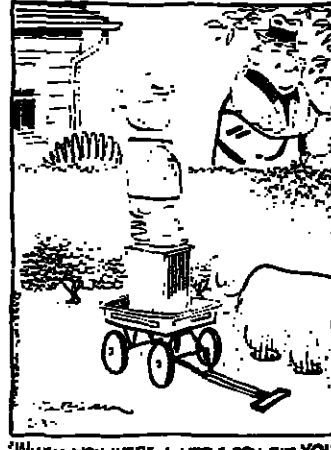
That sponsorship costs the bank more than 2 billion pesetas (\$15.2 million) a year, plus the contract of Indurain, winner of the last three Tour de France races, as well as the last two Girons in Italy. He gets 350 million pesetas a year.

Cycling sponsorship costs were due to rise next year, with Banesto taking over Spain's Seguros Amaya cycling team.

But Banesto's sporting influence spreads much further, with a subsidiary company in charge public relations at the Real Madrid soccer club, as well as similar relationships with the four basketball clubs Real Madrid, Barcelona, Joventut and Estudiantes.

Through its Dorns affiliate, Banesto co-sponsors double world rally champion Sainz, this season racing with the Subaru team, and world trial champion Jordi Tarras.

### DENNIS THE MENACE



### JUMBLE

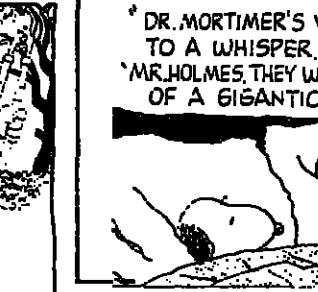
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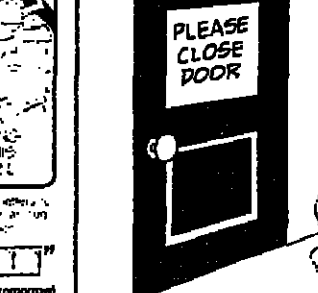
### PEANUTS



### BLONDIE



### BEEBLE BAILEY



### DOONESBURY



### CALVIN AND HOBBES



### WIZARD OF ID



### REX MORGAN



### GARFIELD



سكيا من الامل







ART BUCHWALD

Famous First Words

WASHINGTON — People said things to each other in 1993 that they would just as soon take back. Here are some of them: John Bobbitt to his wife, "Honey, is the sushi ready?"

Michael Jackson to a young boy, "Be my guest."

Executive to Larry Tisch, head of CBS, "Mr. Tisch, there's no sense in my paying a lot of money for the NFL games. Where else can the owners go?"

Producer to PBS director, "Why don't we get Howard Stern to read stories to children on 'Sesame Street'?"

To President Clinton from an aide, "There are two Arkansas state troopers in the anteroom. They want to know if they talk to the press are they still entitled to benefits under Hillary's health plan?"

To Princess Diana from a friend, "Have you ever thought of telling Charles that you would like to be queen, and he can have the house in the country?"

Joey Buttafuoco's lawyer, "Joey, there isn't a jury in the country that won't choke up when you tell them you never laid a hand on Amy Fisher because she was too young for you."

Lieutenant junior grade to top admiral at Las Vegas Tailhook convention, "Sir, why don't we stop in on the third floor and have a quiet nightcap with the boys?"

Ship Models to Be Sold

VOUVRAY, France — One of Europe's major private collections of model sailing ships, on show at a museum here until mid-January, is to be sold at auction. The 60 scale models were collected over 30 years by former a French naval officer, Christian Barriere of Blois. He hunted down the original ship-making plans in maritime museums and obscure libraries, and entrusted the model-making to four professional workshops in Mauritius, the United States, Italy and Australia.

Publicity agent to Burt Reynolds, "If you go on TV and tell the world how cruel and selfish Loni Anderson was to you during your marriage, you'll have the sympathy of every woman in the country."

Sheikh Omar Abdel Rahman to one of his followers, "Before you blow up the World Trade Center, be sure to get your parking ticket validated."

To Pablo Escobar, the dope king, from his lawyer, "If you surrender, the most the judge can give you is 100 hours of community service at the Medellin Boys Club."

Senator Bob Packwood to a female staffer, "Some day people are going to read this diary and say, 'So, that's what United States senators do.'"

Hollywood agent to Chevy Chase, "Chevy, everyone in America is dying to watch your late show. Give up your movie career and I'll make you the next Johnny Carson."

Heidi Fleiss, the alleged Hollywood madam, to a client, "Yes, you are in my little black book but only as the Orkin man."

Boris Yeltsin's political adviser, "Hold elections now and the people will give you a vote of confidence the likes of which Mother Russia has never seen."

The best friend of Ross Perot, "You should buy TV time right away and make Bill Clinton sorry he ever heard of Ross Perot."

Admiral Bobby Ray Inman's accountant, "You can pay your part-time help's Social Security or you can not pay it. It will still have no effect on how many nuclear missiles the North Koreans have in their bunkers."

Woody Allen to Mia, "I'm taking you to the spring prom, and I promise not to drink when I'm driving."

Mia to Woody, "I don't know anyone I would trust with my 19-year-old daughter than the man I once loved."

Patient to Dr. Jack Kerouac, "Hello, Doctor, I can't seem to shake this bad cold. Any chance you can fit me in today?"

President Clinton, sitting in Air Force One on Los Angeles airport tarmac, "Anyone around here know where I can get a haircut?"

Fading Praise for the Aging Kurosawa

By T.R. Reid

TOKYO — Does a brilliant artist who has spent half a century making a magnificent, indelible contribution to the world's cinematic literature have the right, after 50 years, to become self-indulgent, long-winded — even downright prosaic? The question arises in the case of Akira Kurosawa, Japan's greatest filmmaker, creator of such classics as "Rashomon" and "The Seven Samurai," winner of two Oscars and countless other awards, role model and mentor for two generations of younger directors including Steven Spielberg, George Lucas and Francis Ford Coppola.

It is a treatise on the exalted status of the sensei in Confucian societies. The sensei — the word is usually translated as "teacher" or "master" — is not just the professor who teaches you for a couple of semesters, but rather a guide and mentor for life. In "No, Not Yet," a large group of Uchida's former students form a club to serve and honor their sensei.

In the film world, of course, the greatest sensei of all is Akira Kurosawa. His "students," including the late Indian director Satyajit Ray, the French director Alain Resnais and some, but not all, young Japanese directors, tend to honor and worship their master much the way Professor Uchida's students do. Thus, it doesn't take a great deal of insight to suppose that Kurosawa's new movie is also a movie about Kurosawa.

The film exhibits all the signature Kurosawa touches and has some fine performances (Tatsuo Matsumura as the sensei and George Tokoro as a leader of the students).

But none of that is enough to bring the plodding movie to life. At a showing in downtown Tokyo, people in the audience were snoring loudly after the first half-hour, and at least a third had left long before the extended final scene.

"The film is completely flat," complained critic Kenji Sato in the influential magazine Shokun. "It lacks the thing that is indispensable for a movie: drama."

Harsh words indeed for a man who has made a number of vividly dramatic films since the fateful day in 1943 when he took the director's chair on the set of a judo feature called "Sanshiro Sugata."

"It was wartime," Kurosawa recalled later, and because of Japanese military censorship, "you weren't allowed to say anything worth saying." Still, "Sanshiro Sugata" was a success — "the film as a whole has directness, economy, and a superb athletic beauty," the American critic Donald Richie noted — and Kurosawa was on his way.

The great breakthrough came seven years later with the astonishing "Rashomon," a strange and wonderful cinema experience that has become a touchstone for the modern age.

"Rashomon" was a mild success in post-war Japan. Neither Kurosawa nor anyone else expected anything much to come of it. But by chance, an Italian director traveling through Tokyo saw the movie and recommended it to the organizers of the Venice Film Festival. When "Rashomon" took the



Akira Kurosawa, 83, is impervious to the criticism of "No, Not Yet."

Grand Prix at the 1951 Venice Festival — and the 1952 Oscar for Best Foreign Film — the Western world woke up to the fact that there was a genius director in Japan.

Kurosawa wrote later that winning these international awards for a movie about ancient Japan was exhilarating but also disconcerting. "If Western people are going to watch my movies, I want them to be movies about what's happening in Japan today," he said.

Within his first decade as a director, Kurosawa had made "Rashomon," "Kiri" and "The Seven Samurai" — three movies universally recognized as classics. Gradually, though, he lost his connection with the Japanese audience. His films, such as "Red Beard" and "High and Low," were box office flops, and by the early 1970s he couldn't get financing at home to make more movies.

Kurosawa's second Oscar-winner, "Dersu Uzala" (1975), is basically a Russian movie, financed by the Soviet state movie company Mosfilm. His 1980 tragedy "Kagemusha" was financed by Coppola and Lucas. Lucas and Spielberg were the angels for the alternately convincing and compelling "Dreams," which Kurosawa completed by his 80th birthday in 1990.

By then, the Japanese economy was the wonder of the world, and Kurosawa was once again able to find backers at home. In 1991, just in time for the 50th anniversary of the Pearl Harbor attack, he finally made a movie, "Rhapsody in August," about the subject that had been lurking in his mind like a bad dream for 45 years: the atom bomb.

The film was somewhat successful in Japan, but it infuriated Westerners. Kurosawa apparently didn't realize that this depiction of the A-bomb would make some people very mad. On the night in March 1991 when he proudly previewed the movie in Tokyo, the master was clearly stunned by the intensely hostile reaction from Western journalists.

"Rhapsody in August," Kurosawa said, was "an act of forgiveness between the people of the countries." Americans wondered why it was the United States that had to be forgiven for the tragedies of World War II, and "Rhapsody in August" did poorly outside of Japan.

Now, with "No, Not Yet," Kurosawa has retreated to politically safe territory. The problem with the new movie is not that it will anger people, but rather that it may bore them to death.

PEOPLE

Young Bosnian Diarist Has a Peaceful Holiday

A Bosnian girl whose diary of civil war is being published worldwide is spending her first peaceful holiday in two years after fleeing Sarajevo. Zlata Filipovic, 13, is resting in Paris before beginning a promotion campaign next week for "Zlata's Diary," said a spokeswoman for her publisher. First, Zlata will begin interviews next week in France and tour Europe for four months before heading for Japan and the United States. On her 11th birthday, Zlata began what at first was a diary like countless others. Several months later, war between the Serbs and the Muslim-led government broke out.

The Guggenheim Museum in New York has settled its lawsuit against the owners of a 1912 Marc Chagall watercolor that was stolen from the museum more than 25 years ago. Guggenheim officials said "Le Marchand de Bestiaux" was stolen between 1965 and 1967. The painting, with a current value of about \$200,000, resurfaced in 1985 in the apartment of Jules and Rachelle Lubell, who had paid a New York gallery \$17,000 for it in 1967. Mrs. Lubell's lawyers said she and her husband had no idea it was stolen, and no one was ever arrested for the theft. One of the defendants, the art dealer Gertrude Stein, said the total settlement was \$212,000.

Princess Diana, currently in Washington, will strike another blow for personal freedom by dispensing with her bodyguards in England, the Today tabloid reports. It quotes an unidentified source as saying: "She wants to be able to melt into the background. She has had no private life for 13 long years."

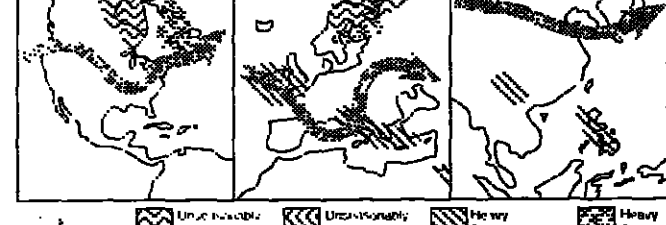
The Italian porn star and former member of parliament, Cecilia Fedi, flew to New York on Wednesday to reunite her young son, whom she alleges was kidnapped by her estranged husband, the artist Jeff Koons. Iona Staller went to the Italian media last Friday with allegations that Koons had fled with their 13-month-old son.

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WEATHER

Table with weather forecasts for Europe, including columns for Today, Tomorrow, High, Low, and Wind.

Forecast for Friday through Sunday, as provided by Accu-Weather.



North America: Extreme cold will grip the East Coast Friday with temperatures returning to near normal for a time this weekend. Much of Europe will have cold air and arrive only near or above normal temperatures. The main storm track will be from France through Italy. The heaviest rains will be over the southwestern British Isles and from Italy to Greece.

Table with weather forecasts for Asia, Africa, and Latin America, including columns for Today, Tomorrow, High, Low, and Wind.

WEEKEND SKI REPORT

Table with ski resort reports, including columns for Resort, Conditions, Snow, and Comments.

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